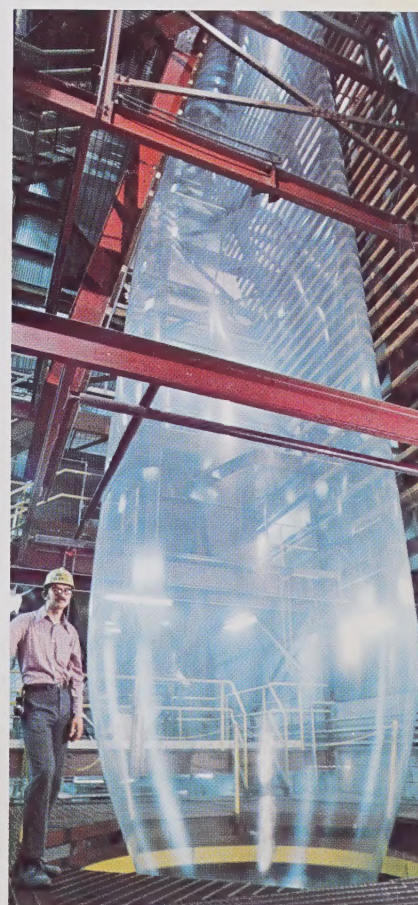


annual report 1974



Canadian Industries Limited



Consolidated Financial Highlights

	1974	1973
Sales	\$517,586,000	\$383,289,000
Income before taxes	66,205,000	32,875,000
Net income before extraordinary items	34,842,000	15,952,000
Extraordinary items — Net gain	20,000	53,000
Working capital at December 31	116,588,000	107,259,000
Capital expenditures (including expenditures for acquiring new subsidiaries and associated companies)	57,593,000	26,134,000
Common shares outstanding at December 31	9,794,161	9,794,161
Earnings per common share before extraordinary items	\$3.54	\$1.61
Dividends per common share	\$1.15	\$0.85
Number of shareholders at December 31		
Common	5411	5964
Preferred	560	567

Sales by Business Area

	Agricultural & Industrial Chemicals		Explosives & Related Businesses		Paints & Pigments		Other Products & Services	
	1974	1973	1974	1973	1974	1973	1974	1973
Sales (millions of dollars)	264.9	185.5	151.6	121.2	56.7	46.9	44.4	29.7
% of Total Sales	51	48	29	32	11	12	9	8

Board of Directors

Alistair M. Campbell
Chairman,
Sun Life Assurance Company of Canada,
Montreal, Quebec

D. M. Coyle
Vice-President,
Canadian Industries Limited,
Montreal, Quebec

Roger DeSerres
President,
Omer DeSerres Ltée,
Montreal, Quebec

W. B. M. Duncan, C.B.E.
Director,
Imperial Chemical Industries Limited,
London, England,
Chairman of the Board,
ICI Americas Inc.,
Wilmington, Delaware, U.S.A.

E. J. Goett
President and Chief Executive Officer,
ICI Americas Inc.,
Wilmington, Delaware, U.S.A.

A. G. S. Griffin
Chairman of the Board,
Home Oil Company Limited,
Calgary, Alberta
Residence: Toronto, Ontario

E. L. Hamilton
President,
Canadian Industries Limited,
Montreal, Quebec

C. H. Hantho
Vice-President,
Canadian Industries Limited,
Montreal, Quebec

P. G. Harvey
Chairman,
Mond Division,
Imperial Chemical Industries Limited,
London, England

W. J. Mandry
Vice-President,
ICI Americas Inc.,
Wilmington, Delaware, U.S.A.

Hon. H. deM. Molson, O.B.E.
Honorary Chairman,
The Molson Companies Limited,
Montreal, Quebec

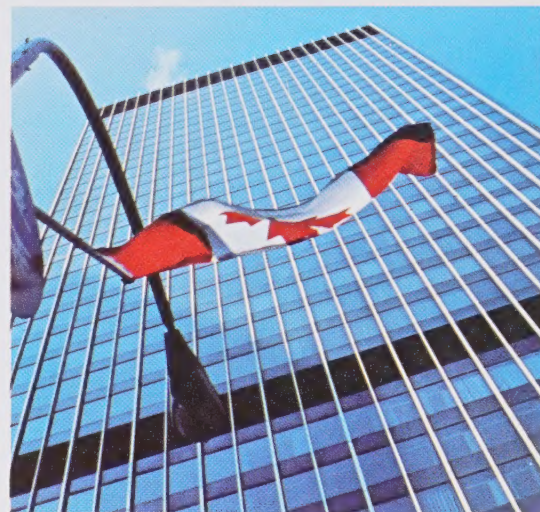
Hon. James Sinclair, P.C.
Chairman,
Lafarge Canada Ltd.,
Vancouver, British Columbia

Audit Committee

Alistair M. Campbell — Chairman
A. G. S. Griffin
E. L. Hamilton

Officers

CIL House, Montreal, Que.



President
E. L. Hamilton

Vice-Presidents
D. I. W. Braide
P. A. G. Cameron
H. G. Campbell
D. M. Coyle
C. Hampson
C. H. Hantho
D. S. Kirkbride

Secretary
L. A. Wheable

Treasurer
L. A. Wheable

Controller
L. H. Chant

Assistant Secretary
A. F. M. Biggs

Assistant Treasurer
C. McLaughlin

Registrar, Transfer Agent and Dividend Disbursing Agent

National Trust Company Limited,
Montreal, Toronto, Calgary, Vancouver

Stock Exchange Listings

Montreal, Toronto, Vancouver

Registrar and Transfer Agent for Debentures

The Royal Trust Company
Montreal, Toronto, Winnipeg, Vancouver

Auditors

Touche Ross & Co.

Canadian Industries Limited
CIL House
630 Dorchester Boulevard West
Montreal, Quebec
H3C 2R3

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Letter to the Shareholders

Consolidated sales and net income in 1974 were substantially higher than CIL has achieved in any previous year. Sales were \$517.6 million, 35% above the level of 1973, and net income was \$34.8 million, equivalent to \$3.54 a common share compared with \$16.0 million or \$1.61 a common share in 1973. Dividends in respect of 1974 totalled \$1.15 a common share, comprising a regular quarterly payment of 25 cents and an extra of 15 cents. Dividends declared in the previous year amounted to 85 cents a share.

These results reflect the strong demand for the Company's products and services that prevailed throughout 1974. The most significant gains in sales and earnings were shown in the Company's agricultural chemicals, industrial

chemicals and plastics business areas, which benefited from improved selling prices and capacity operations. The rapid increase in costs without fully compensating selling price adjustments resulted in declining profit margins, as a percentage of sales, in paints, commercial explosives and ammunition products.

The dominant feature of the year was certainly the very high rate of inflation, along with the energy problem and the consequent dramatic escalation of the costs of many raw materials. Although there is no consensus yet as to the best method of measuring the influence of inflation on corporate results, it is important that the effect of these extraordinary conditions be fully recognized. If the Company's accounts

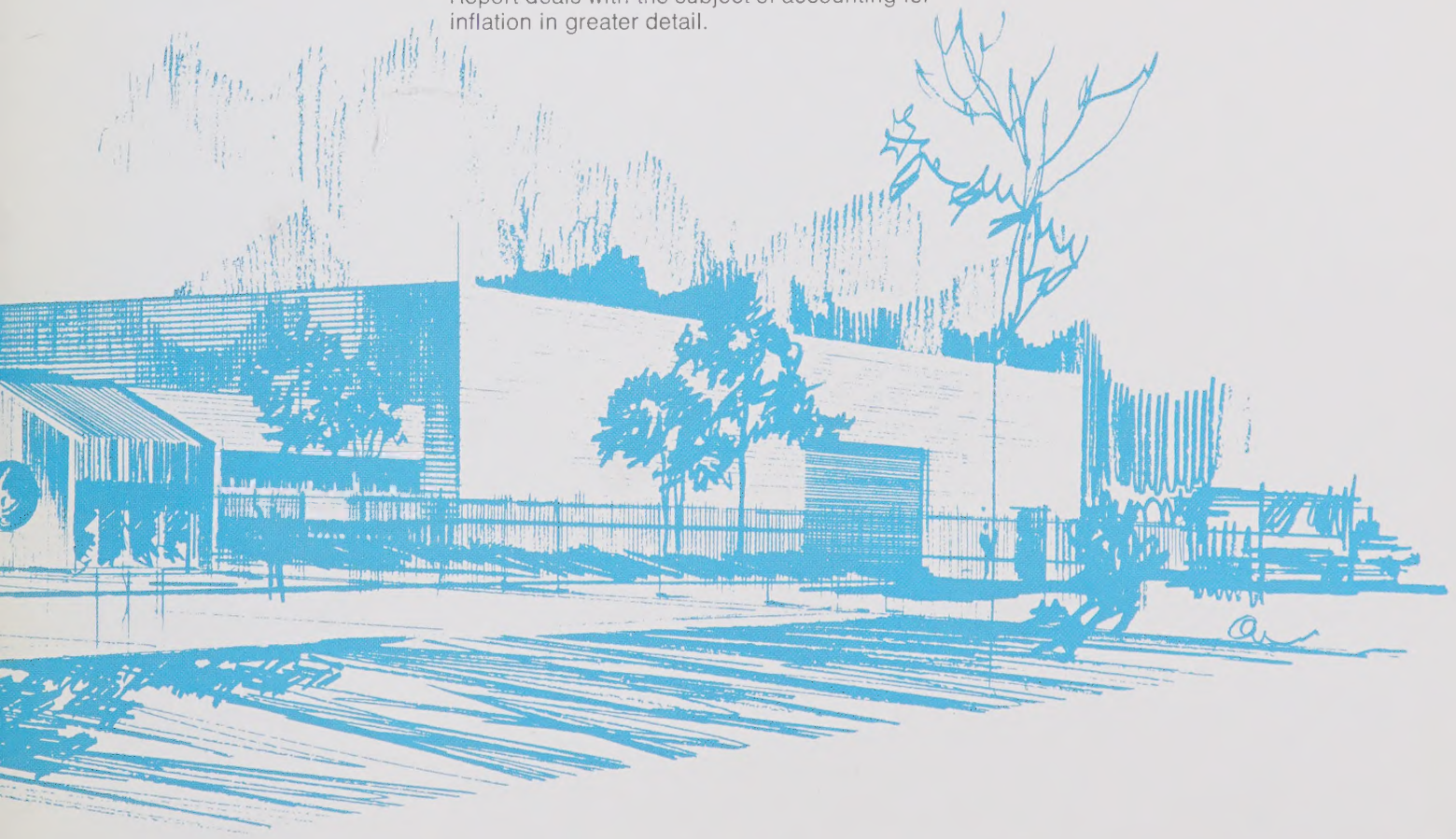


were to be restated to include the effect of the change in the purchasing power of the dollar in 1974, earnings per share would be reduced from \$3.54 to \$2.10; the common shareholders' equity would increase from \$173.7 million to \$207.8 million; and the return on this equity would decline from 20% to 10%.

A concomitant effect of the inflationary conditions was the massive increase in the cash resources needed to support the higher level of customers' accounts and inventories resulting from the greater volume of sales and much inflated prices for raw materials. In total these requirements exceeded the cash generated from profits for the year. Taxes must be paid on income calculated on the conventional historical basis which further depletes the cash resources available to maintain the existing level of the Company's business. At the same time, the impact of high rates of inflation on the capital markets restricts the availability of funds for long-term investment and thus makes financing of industrial expansion much more costly and hazardous. The "Financial Review" section of the Annual Report deals with the subject of accounting for inflation in greater detail.

Successful efforts to improve production efficiencies and be more effective in all areas of Company activity were a major factor both in coping with cost pressures and in contributing to the favourable results for the year. However, the scale of cost escalation made selling price increases essential. On average the prices that the Company paid for its raw materials rose 36% in 1974. As specific examples, the price of phosphate rock, a major raw material in the manufacture of the Company's fertilizer products, advanced 600% from late 1973 to the start of 1975, while the price of fuel oil has increased by about 160% in the same period. During 1974, the extreme inflationary pressures created a need for the Company to grant higher than normal wage and salary rate increases which resulted in a significant advance in employment costs.

Capital expenditures of \$57.6 million in 1974, including \$9.0 million by Canadian Freehold Properties Ltd., were more than double those of 1973. These expenditures were well in excess



The architect's sketch depicts the administration building of CIL's plant under construction near Calgary, Alta. This plant will help supply the growing market for explosives-grade ammonium nitrate to serve the mining industry in western Canada and the northwestern United States.

of original estimates owing to rising material and labour costs. Start-up of the chloralkali plant at Becancour, Quebec, will be delayed six months until mid-1975 as the result of labour difficulties during construction which have also added significantly to the cost. The problems of the Quebec construction industry are serious and need resolution. Without this resolution the future economic growth of the province could be jeopardized.

The favourable trend in CIL's safety performance over the past few years was maintained through 1974 and lost-time injuries were reduced to fifteen, the smallest number yet attained in any calendar year. This achievement, which was realized in spite of the pressures of peak production at many of the Company's manufacturing locations, required the concentrated efforts of all employees. Safety has always been of prime concern to CIL and total elimination of industrial accidents continues to be an objective of high priority. We are concerned that the frequency of accidents experienced away from the work place increased during 1974, and the combined efforts of the Company and its employees will be needed to correct this situation.

Canada's relatively favourable position in hydrocarbon feedstocks and electrical energy appears to offer opportunities for new investment on a world competitive scale by the Canadian chemical industry. In 1974, the climate for investment decision-making in this area was particularly unstable. Some of the uncertainties arose from international circumstances over which Canada has little or no control. Others, however, were caused primarily by domestic political and economic factors. The need for a more stable planning environment cannot be overemphasized if the large sums of capital needed to take advantage of these opportunities are to be forthcoming.

CIL is continuing to give careful consideration to the application of its resources to take advantage of a number of major investment opportunities. The most recent action is the decision made late in 1974 to build a large plant near Calgary, Alberta, to produce explosives-grade ammonium nitrate for the rapidly growing markets in western Canada and northwestern United States. The Company also is actively involved in examining the feasibility of a world-scale polyethylene plant as a member of a group of companies developing plans for a large petrochemical complex in Alberta.

Although many of the markets the Company serves are displaying continuing strength, there is little doubt that 1975 will be a year of challenge as important segments of the economy are likely to experience serious problems. Nevertheless, CIL faces the year with confidence. All employees played a leading role in contributing to the success of the past year and their efforts are both appreciated and depended upon in meeting the challenges of 1975.

On behalf of the Board of Directors,



E. L. Hamilton
President

Montreal, Quebec,
March 20, 1975

- head office
- research and technical laboratories
- sales and technical centres
- warehouses
- plant sites
- subsidiary locations

- Abbotsford ●
Ashcroft ●
Brenda ●
Coquitlam ●
Cranbrook ●
Endako ●
Fording ●
James Island ●
Kamloops ●
Kelowna ●
Kelsey Bay ●
Ladner ●
Ladysmith ●
Nanaimo ●
Nelson ●
New Westminster ●
Penticton ●
Port Hardy ●
Port McNeil ●
Prince George ●
Stewart ●
Surrey ●
Tappen ●
Terrace ●
Texada Island ●
Vancouver ●
Vanderhoof ●
Victoria ●

- Calgary ● ● ●
Clover Bay ●
Edmonton ● ● ● ● ●
Fort Saskatchewan ●
Lethbridge ●
Red Deer ●

- Moose Jaw ●
Prince Albert**

- Regina ●●
Saskatoon ●
Swift Current ●

- Brainerd ●
Brandon ●
Thompson ● ● ●
Pipe Lake ●
Winnipeg ● ● ●

- Alliston ●
Beamsville ●
Belleville ●
Belmont ●
Brampton ●●●
Bridgeport ●●
Bruce Lake ●
Brussels ●
Burlington ●
Carlisle ●●●
Chatham ●●●
Clinton ●
Collingwood ●
Concord ●
Copper Cliff ●
Cornwall ●●
Courtright ●
Essex ●
Etobicoke ●
Glence ●
Hamilton ●
Hensall ●
Ingersoll ●●●
Kemptville ●
Kingsville ●
Kingston ●
Kirkland Lake ●
Kitchener ●

- Leamington ●
London ●●
Marmora ●
Mississauga ●
Mitchell ●
Mount Bridges ●
Niagara Falls ●
Niagara-on-the-Lake ●
Nobel ●
North Bay ●
Norwich ●
Oakville ●
Orillia ●
Ottawa ●●
Petrolia ●
Port Stanley ●
Sarnia ●
Scotland ●
Shelburne ●
Simcoe ●
Smithville ●
Stayner ●
St. Catharines ●●
Streetsville ●
Sudbury ●●
Tara ●
Temagami ●
Thamesville ●
Thunder Bay ●●
Tillsonburg ●
Timmins ●
Toronto ●●●●●●●●●●
Tupperville ●
Wilsonville ●
Windsor ●

- Becancour ●
Bedford ●
Beloeil ●●
Brownsburg ●

- Buckingham ●
Farnham ●
Franklin Centre ●
Hull ●
Laval des Rapides ●
Lachine ●
La Flèche ●
Lennoxville ●
McMasterville ●
Moisie ●
Montreal ●
Murdochville ●
Mt. Wright ●
Nicolet ●
St. Eustache ●
St. Hilaire ●
St. Hyacinthe ●
St. Pie ●
St. Rémi de Napierville ●
St. Thomas de Joliette ●
Ste. Foy ●
Sept-Îles ●
Shawinigan ●
Thetford ●
Thetford Mines ●
Trois-Rivières ●
Tracy ●
Val d'Or ●
Valleyfield ●
Victoriaville ●
Ville Mercier ●

- Bathurst ●
Dalhousie ●
Fredericton ●
Grand Falls ●
Hartland ●
Moncton ●
Woodstock ●

- Halifax ● ● ●
Kentville ● ●
Truro ● ●

- Charlottetown ●
Montague ●
O'Leary ●
Summerside ●
Traveller's Rest ●
Winsloe ●

- Baie Verte ●
Carol Lake ●
Grand Falls ●
Labrador City ●
St. John's ●
Wabush ●

- Faro ●

- Liberia ●

- Navan ●

- Kingston ●

- Detroit, Mich. ●
Tucson, Arizona ●
Watertown, N.Y. ●

Agricultural and Industrial Chemicals

Agricultural Chemicals

The strength of the farm economy supported a continuation of the growth in demand for fertilizer products that had started in 1973 and sales were significantly higher than those of the previous year. To meet customer requirements, a high level of operating efficiency had to be achieved at each of the Company's fertilizer facilities and production of ammonia at the major plant at Sarnia was in excess of rated capacity. The impact of sharply advanced raw material costs, in particular for natural gas, phosphate rock and potash, resulted in higher selling prices, although Canadian prices in general were at lower levels than those in the United States.

A moderate expansion in capacity at the Sarnia plant is underway to meet the enlarged market requirements now foreseen.

The market for Chipman Chemicals Limited's herbicide and pesticide products was also strong. Sales were well above 1973 owing to improvement in volume and increased selling prices, the latter reflecting higher costs of raw materials and products purchased for resale. Warehousing space was extended and office facilities were added at Chipman's manufacturing plant near Hamilton.

Industrial Chemicals

Sales of industrial chemicals were substantially above those of 1973, reflecting strong demand from the pulp and paper, fertilizer and mining industries combined with generally favourable conditions in other industrial markets. As the Company's industrial chemicals plants have been operating at or near capacity for the past few years, most of the increase in sales volume resulted from resale business. While process materials were readily available, costs escalated rapidly and selling prices were increased on a wide range of products.

The Company's large chloralkali plant at Becancour, Quebec, which has been beset by construction labor problems, is now scheduled to commence production in mid-1975, six months behind schedule. It will improve the Company's strong position in the growing market in eastern Canada for caustic soda and chlorine. During the year, facilities from several locations were consolidated at the Cornwall plant site for the packaging of gaseous and liquid chemicals. Additional capacity for sulphuric acid was brought into production at Copper Cliff late in the year.

Sales of Chemetics International Ltd. were more than twice those attained in 1973. Acceptance of the company's equipment and processes in a number of countries was demonstrated by the substantial increase in sales of sulphuric acid heat exchangers and processes for the pulp and paper industry. Work has progressed

well on a major contract for five chemical plants in Yugoslavia, and new contracts were obtained for chemical plants in Turkey and Brazil.

Canadian Hanson Limited and Alchem Limited both had appreciable sales increases, which in the case of Canadian Hanson included substantial exports. During the year, Canadian Hanson acquired an interest in Volstatic of Canada Limited, designers and installers of electrostatic powder-coating systems, providing a logical extension to the product lines with which Canadian Hanson serves the metal-finishing market. Alchem Limited extended its production and storage facilities at Burlington Ontario. Sales of Inland Chemicals Ltd., a sulphuric acid producer in western Canada acquired late in 1973, exceeded expectations during 1974.

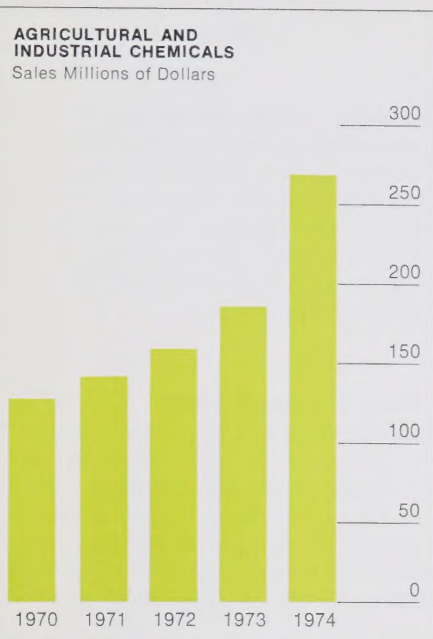


Sales of Cornwall Chemicals Limited, an associated company managed by CIL, were well above 1973 levels as volume increased for all its product lines in both domestic and export markets.

Environmental Improvement

During 1974, CIL's interests in this relatively new area showed encouraging progress. Tricil Waste Management Limited, a company jointly owned with Trimac Limited, provides solid and liquid waste collection and disposal for industry and municipalities at several locations in Canada. Tricil is well organized to become more deeply involved in the recovery and recycling of usable materials and energy from wastes and has already taken its first steps into this potentially important new field.

CIL, through its interest in Eco-Research Ltd. and Bio-Research Laboratories Ltd., is involved in testing the effects of pollutants on the environment and in measuring the effects of different materials on various life forms.



1

Just as the farmer is supplied with a wide range of fertilizers, related products and technical services, so the home gardener benefits from a complete line of lawn and garden products and advisory services from CIL's agricultural chemicals division.

2

Start-up of CIL's new \$40 million chloralkali plant at Becancour, Quebec, is scheduled for mid-1975. This plant will supply the growing market for caustic soda and chlorine in eastern Canada.

3

On the site of its new plant at Saltfleet, Ontario, Chipman Chemicals Limited, a wholly-owned subsidiary of CIL, opened a new administration building and extended warehousing facilities.

4

A CIL stainless steel sulphuric acid cooler weighing 15 tons is shown being loaded onto a chartered aircraft at Toronto, Ontario, headed for Abadan, Iran. This was a rush shipment, made in response to an urgent request from the Shahpur Chemical Company whose acid plant was threatened with shutdown due to repeated failures of their existing cast iron cooling sections. Chemetics International Ltd., a CIL subsidiary, markets the coolers world-wide.



Explosives

Continuing strength was demonstrated by all segments of the Canadian explosives market, contributing to a level of sales substantially above that of 1973. Exports of commercial explosives and accessories were also higher.

CIL's newly developed small-diameter slurry explosives were introduced successfully during the year, and production facilities are being expanded to meet market requirements. The Company has started construction of a large plant near Calgary, Alberta, scheduled for start-up in 1977, to produce explosives-grade ammonium nitrate, particularly for use in coal and metal mining in western Canada and the northwestern United States.

In 1974, the Company signed a licensing agreement with Nitro Nobel A.B., of Sweden, to manufacture in Canada and sell nationally and internationally the "Nonel" non-electric delay system for initiating blasts. The system, which is undergoing extensive field testing, can be used with any type of explosive. In Canada and abroad, mines are converting from pneumatic to electrical power as a basis of operation to improve efficiency, safety and working conditions. As the "Nonel" system is immune to electrical hazards, it is an ideal product for use under such conditions and a widespread adoption of the product is expected.

During the year, selling price increases for all product lines had to be introduced to meet the effect of constantly rising raw material costs. The difficulties of operating in a highly inflationary period with shortages of some major raw materials were further compounded by a six-week strike at the Company's major explosives plant at Beloeil, Quebec.

Sales of West African Explosives and Chemicals Limited, a subsidiary producing commercial explosives in Liberia, were well in excess of those in 1973. Continental Explosives Limited and Explosives Sales (1970) Ltd., CIL's distributors of explosives and related products in British Columbia and Quebec respectively, also had higher sales than in 1973.

Mining Services

Sales of underground mining equipment by Jarvis Clark Company Limited were appreciably higher than in 1973, reflecting increased activity in the mining areas served. This company is actively developing new and improved equipment and expanding its product range.

The resurgence of mining activity has not extended to mining exploration. Because the Canadian climate for exploration has been unfavourable and profitable operations have not been achieved in recent years, CIL, after careful consideration of the alternatives, withdrew from the geophysical exploration activities of the McPhar Group late in 1974.

Sporting Arms and Ammunition

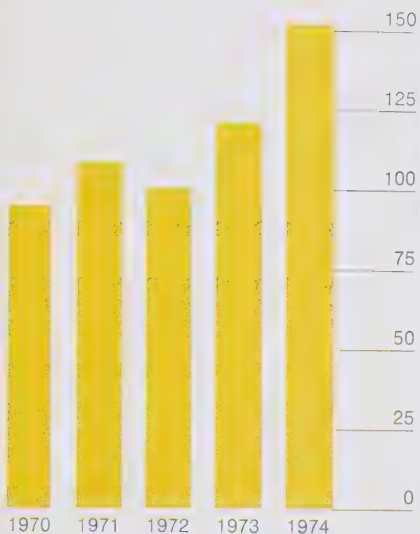
Sales of sporting arms and ammunition were moderately higher than in 1973, reflecting increases in selling prices and domestic volume. However, production costs, in particular the purchase price of metals, advanced at a rate which could not be matched by either selling price advances or improved operating efficiencies.



In 1974, the Company withdrew from the United States market and its ammunition production facility at Plattsburg, New York, was closed.

EXPLOSIVES AND RELATED BUSINESSES

Sales Millions of Dollars



1 Two pigmy hippopotami were donated to the Toronto Metro Zoo in 1974 by CIL's subsidiary, West African Explosives and Chemicals Limited. These pigmy hippos, which weigh about 350 pounds when fully grown, are an endangered species found only in the remote areas of Liberia.

2 In association with leading seismic exploration companies CIL has developed a new seismic shooting method for oil and gas prospecting in the Canadian Arctic. Known as the "vertical ice Aquaflex" method, it will allow seismic crews to make more than 10 miles of survey each day, even under difficult Arctic conditions.

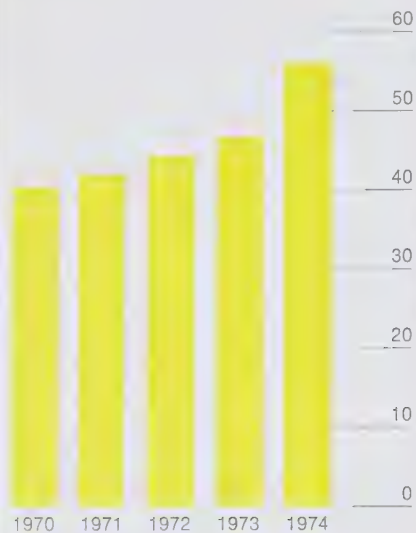
3 Workmen fire 8 gauge industrial shotshells into a roaring hot kiln in a plant operated at Kilmar, Quebec, by the Canadian Refractories Division Dresser Industries Canada Ltd. The shotshells, which fire a 3 ounce lead projectile, are used regularly to break up clinkers that form in the kiln. This CIL customer is a leading world supplier of firebrick for kilns and furnaces.

4 CIL's efforts to improve safety in blasting operations gets a big assist from "Nonel," a non-electric delay system for initiating blasts, seen in this photo immediately following initiation. "Nonel", manufactured and sold in Canada by CIL, can be used with any type of explosive and is immune to electrical hazards.



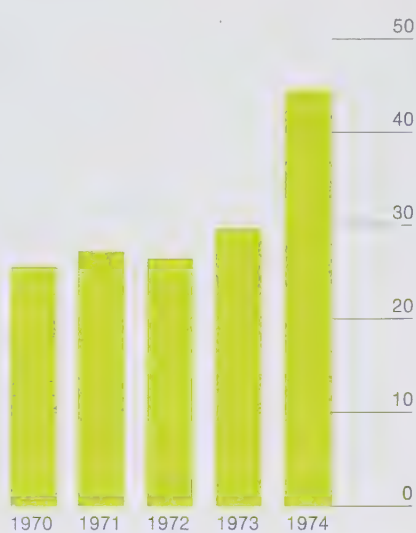
PAINTS AND PIGMENTS

Sales Millions of Dollars



OTHER PRODUCTS AND SERVICES

Sales Millions of Dollars



1

Flashing along a newly installed film line in CIL's plastics plant at Brampton, Ontario, this roll of film will make Multi-ply Valve bags for shipping CIL fertilizers. The new line is the first of a series to complement existing capacity at the plant.

2

Successfully introduced to the Canadian public in 1974 by CIL's paints division, the "Vymura" Life Style Collection is a pre-pasted vinyl wallcovering, made in Britain by CIL's parent company, Imperial Chemical Industries Limited.

3

Construction is underway at the site of the office building complex depicted here, which is being developed by Canadian Freehold Properties Ltd., CIL's property investment subsidiary. When completed it will feature two office buildings with ample below grade parking facilities. This project is located in a high quality suburban area on the main access routing between Vancouver and New Westminster, B.C.



Paints and Pigments

Paints

All sectors of the market contributed to an increase over 1973 in the volume of paints sold. However, profit margins were affected adversely because selling prices could not be adjusted to compensate for rapidly rising costs, particularly those for raw materials. Shortages of essential materials, particularly those derived from oil and natural gas, restricted production levels, but by the end of the year supply and demand for these materials were essentially in balance.

CIL's subsidiary paint company in Jamaica experienced similar supply problems which limited volume but, assisted by improved prices for paints, sales and profit margins improved.

Other Products and Services

Plastics

The world-wide shortage of polyethylene resin continued through most of 1974. Imports that had traditionally supplied up to 25% of the Canadian market were no longer available, and it became necessary to place Canadian users on allocation. During the year the Company was able to supplement production from its Edmonton plant with resale material obtained in the United States, Europe and Japan and by year end had increased the allocation of product to its regular customers. Prices for resin and film continued the recovery from the depressed levels caused by years of oversupply but increases were also needed to meet rapidly rising costs. The combined effect of resale of a significant volume of imported resin and higher prices accounted for a large increase in sales of resin and film during 1974.

Detailed study of a plan for the construction of a large polyethylene plant in Alberta, as part of a proposed petrochemical complex to be based on a world-scale ethylene plant, continued throughout 1974. Alberta Gas Trunk Line Company Limited, CIL, and several other Canadian companies are cooperating in the development of the total project.

Property Development

The growth of CIL's property development subsidiary, Canadian Freehold Properties Ltd., continued at an encouraging rate during 1974. Construction of six new buildings in Toronto, Victoria and Vancouver was completed, or is in progress. Favourable financing arrangements have been established for all projects undertaken and the cash flow generated by this company is improving satisfactorily.

A construction strike, along with greatly increased building and financing costs, slowed progress in some areas of B.C., and construction of a hotel and apartment building in Victoria has been deferred. However, construction of a condominium apartment building at this site is proceeding as planned.

Two major projects, involving an industrial park to be developed in south-east Edmonton and a 19-storey office building to be erected on prime property in downtown Vancouver, have received the necessary civic approvals.

Burnside Development Co. Ltd., a Halifax property company in which Canadian Freehold Properties has a 50% interest, completed three major warehouse projects and has started construction on a 9-storey office building adjacent to the downtown core area of Halifax. This company's completed properties have satisfactory long-term financing, are fully rented and are producing a good level of cash flow.

Employees

For the second consecutive year, employees established a Company record for safety performance, an achievement in which everyone in the Company takes pride. Measured by the number of disabling injuries per million man-hours worked, the 1974 accident frequency rate was 1.09. This outstanding record was achieved by setting challenging objectives, devoting the necessary management and other resources to their attainment and encouraging individual participation in accident prevention activities.

CIL is committed to the objective of total elimination of industrial accidents both in its own operations and those of its subsidiaries. Substantial progress was made in establishing CIL safety standards and practices in subsidiary companies and by year end all major subsidiaries were working towards specific safety performance objectives. Regretfully, we report that an employee of Alchem Limited was killed early in 1974 while working on a project in a customer's plant. We also regret having to report the death of an employee of CIL in an industrial accident at Dalhousie Works since the beginning of 1975. This plant had operated without a disabling injury from its start-up in 1963.

The Company is committed to setting objectives not only for the business but for each employee. Individual goals and personal development programs related to corporate objectives are established with the participation of the employee. These provide a basis for reviewing and measuring performance. During 1974, a comprehensive training program in the effective application of this goal-setting and review process was commenced for all management and professional staff. A new program of training in advanced selling skills for professional sales and marketing employees also was introduced during the year.

The rate of inflation during the year put unusual strains upon salary and wage administration. One-third of the thirty-three collective agreements with the Company and subsidiaries in Canada expired in 1974, and renegotiation of all but two of these agreements had been completed by the end of the year. A strike at the Beloeil explosives and agricultural chemicals works commenced on September 9 and ended on November 28 when agreement was reached. Although the remaining two-thirds of the collective agreements were not scheduled for renegotiation during 1974, the Company offered either wage adjustments over and above those previously negotiated or early implementation of scheduled contractual wage increases in each of the agreements.

The number of employees in CIL and subsidiary companies at year end was 9,176, a decrease of 2% from 1973.

Directors

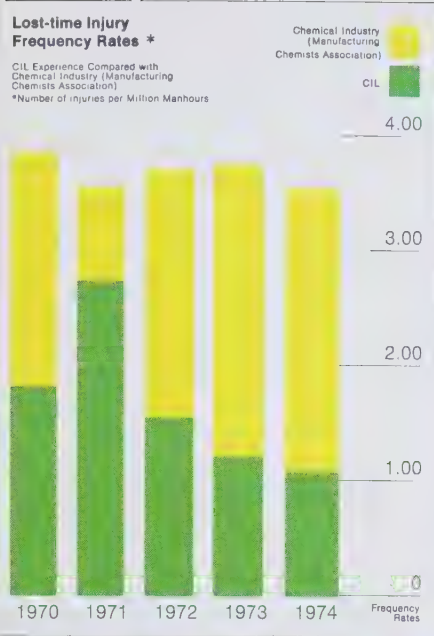
It is with deep sadness that the death of Mr. Leonard Hynes on March 1, 1975, is reported. Mr. Hynes had a very long association with the Company which he joined in 1933 on graduation from university. He was elected President in 1962 and Chairman in 1971 and served on the Board of Directors from 1954.

Over the years Mr. Hynes made many significant contributions to CIL while at the same time becoming widely respected for service to community, chemical industry, business, national and international affairs. The counsel and leadership which he provided throughout a distinguished career devoted to the interests of both CIL and Canada will be greatly missed.



The Company will also be losing the counsel of the Hon. Hartland deM. Molson who will not be standing for re-election at the Annual General Meeting in April 1975. Senator Molson has been a director of CIL since 1954 and was elected to the Board of its predecessor Company in 1952. Over 23 years, Senator Molson's thorough understanding of the Canadian scene and his business acumen have been invaluable assets to the management of the Company and to his colleagues on the Board.

David M. Coyle, a vice-president of the Company, was appointed a director to fill the vacancy created by the death of Mr. Hynes.



1

CIL opened a new Conference Centre in the Laurentians in 1974. Located at the Alpine Inn, Ste. Marguerite, Quebec, the Centre is being used for the company's on-going program of employee development and managerial training

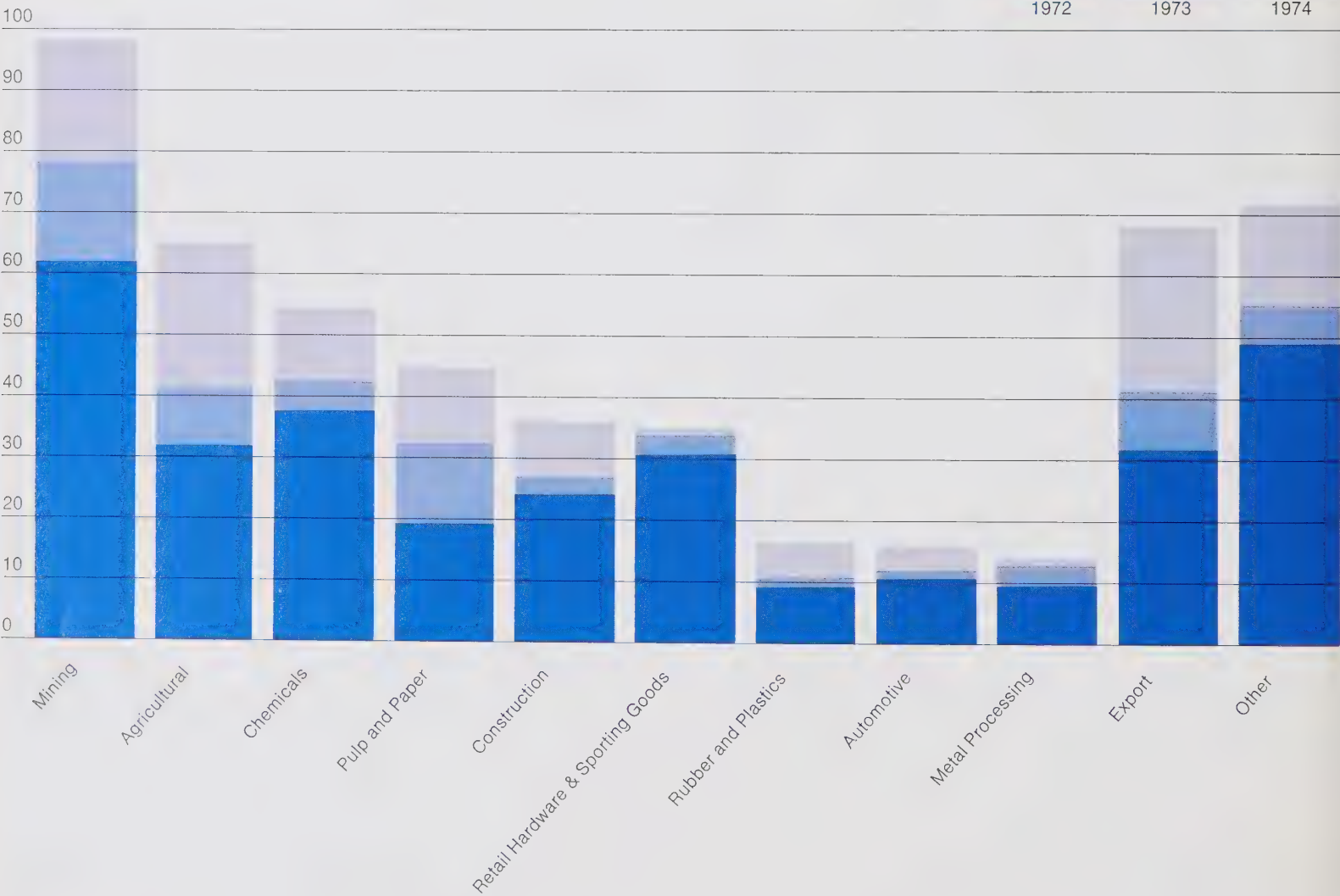
2

Innovation of employees is well demonstrated in newly developed technology now ready to be marketed world-wide to sulphuric acid manufacturers. Employees of Chemetics International Ltd., a wholly-owned subsidiary of CIL, in cooperation with CIL employees, took a radically new approach to converting SO_2 smelter gas to SO_3 using a radial flow technique rather than the conventional method of passing gas through a horizontal bed-type catalyst. The result is a new converter which offers the advantages of improved operating reliability and the ability to run extended periods without shutdown. Shown is a welder working on the installation of the converter at CIL's sulphuric acid complex at Copper Cliff, Ontario, where it is now in successful operation.



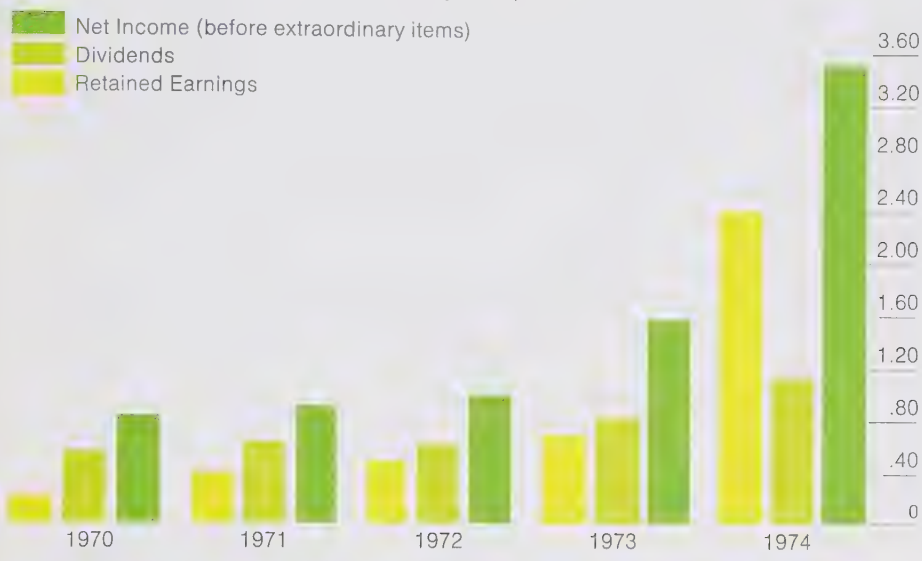
Sales by Industry

Millions of Dollars



Disposition of Net Income

Per common share (Before extraordinary items)



Financial Review

Earnings and Dividends

Consolidated income of the Company in 1974 totalled \$34,842,000 and was equivalent to \$3.54 a common share, after provision for dividends on the preferred shares, compared with \$15,952,000 or \$1.61 a common share in 1973. Dividends in respect of the year 1974 were \$1.15 a common share, comprising a regular quarterly payment of 25 cents and in the fourth quarter an extra dividend of 15 cents a share. Dividends declared in the previous year totalled 85 cents a share.

Sales and Operations

Consolidated sales continued their upward trend in 1974, and at \$517,586,000 were \$134,297,000 or 35% above the 1973 level. Demand for the Company's products continued at a high level throughout the year, with substantial sales gains being achieved in all business areas. Agricultural and industrial chemicals and plastics, benefiting from continued capacity operations and from higher selling prices, contributed the major portion of the improvement in sales and earnings. The rapid and substantial escalation in raw material, labour and other manufacturing costs, without fully compensating selling price adjustments, resulted in declining profit margins, as a percentage of sales, in paints, commercial explosives and ammunition products.

Depreciation of \$21,813,000 was charged to operations during 1974, an increase of \$3,234,000 over 1973, mainly the result of depreciation on new facilities brought into operation during the year. Consistent with prior years, depreciation was determined on each plant or facility on a straight line method based upon an annual review of the estimated useful economic life of the asset, including an assessment of technological and commercial obsolescence.

Effects of Inflation

Although the Company has had a strong year in both sales and profit growth, the effect of the extremely high level of inflation must be taken into account in evaluating the financial results. In periods of rapid inflation, conventional accounting practices seriously understate, in terms of current purchasing power, the cost of goods produced and sold within the annual reporting cycle and thereby overstate profits. Inventories must be replaced at much higher costs. In addition, basing depreciation, which represents the loss in value of the manufacturing facility through use, on original cost at a time of rapidly rising capital replacement costs results in a further distortion of profits.

If the Company's earnings in 1974 were adjusted to recognize the effect of this change in purchasing power of the dollar on all of its accounts, it is estimated that the income before provision for taxes would be \$18,000,000 less than reported. Consolidated net income after taxes would also be correspondingly lower and earnings per share would be reduced to approximately \$2.10 a common share compared with the \$3.54 reported. The common shareholders' equity would increase from \$173,700,000 calculated on the historical cost basis, to \$207,800,000, on the basis of allowing for the effect of the change in purchasing power of the dollar, and the return on equity would decline from 20% to 10%.

High rates of inflation also have a serious impact on the Company's financial resources as increasing amounts of cash are required to replace inventories and maintain higher dollar levels of accounts receivable for the same volume of business. Taxes must be paid on the income calculated on the basis of traditional historical costs, which is a further drain on the cash resources necessary to maintain the existing level of the Company's business. In total, these requirements exceeded the cash generated from profits during the year.

A further area adversely affected by inflation is the capital markets since interest costs rise and the availability of long-term capital funds, both in the form of equity and long-term debt, is restricted. In a capital intensive industry such as chemicals, the ability to generate or attract the additional capital necessary to maintain the current level of operations and provide capacity to meet increasing market demands is made much more difficult and hazardous.

Working Capital

The net cash position at December 31, 1974 amounted to \$10,719,000, a decline of \$35,571,000 from the 1973 year-end position, reflecting a high level of capital expenditure and a substantial increase in accounts receivable and inventories.

Working capital items, excluding cash, increased by \$44,900,000 from the previous year.

Accounts receivable were up \$22,037,000 and investment in inventories at \$108,016,000 was up \$43,144,000. The latter mainly reflected greatly increased prices of raw material, labour and other costs, and some stockpiling against possible shortages of supply, particularly in materials used to produce agricultural chemicals. Also included in inventories is the land held for sale and/or development in Canadian Freehold Properties Ltd. amounting to \$11,973,000. Partly off-setting these increases were the higher levels of accounts and notes payable, and taxes payable, up \$25,071,000.

Capital Expenditures

Additions to land, buildings and equipment during 1974 amounted to \$48,602,000, excluding Canadian Freehold Properties Ltd. Principal outlays were for the construction of the chloralkali plant at Becancour, Quebec, now scheduled for start-up in mid-1975; expansion of the sulphuric acid plant at Copper Cliff, Ontario; and a consolidated packaging facility for chemicals at Cornwall, Ontario. Site preparation is underway for a large ammonium nitrate plant near Calgary, Alberta, which will have a production capacity of 250,000 tons per annum.

Canadian Freehold Properties had capital expenditures of \$8,991,000 which included construction of office buildings and warehouses for rental purposes. In addition, this company purchased land for development valued at \$8,647,000 which is reported in consolidated inventory.

The unexpended balance on projects authorized is estimated at \$62,000,000 of which \$6,900,000 is in respect of Canadian Freehold Properties.

Other

The Company retired the remaining outstanding 3¾% debentures amounting to \$4,977,000 which were due on November 15, 1974.

Change in Accounting Practices

In order to reflect recommended current accounting practices, the Company introduced the practice of accruing for vacation pay earned to December 31, 1974, but not paid, whereas in prior years such amounts were charged to income as paid. In addition, it adopted the equity method of accounting for the income of associated companies and the practice of amortizing the net difference between the cost of investment in subsidiaries and book value of their assets at acquisition over a ten-year period. The net effect of these changes reduced net income by \$2,186,000.

Consolidated Statement of Income and Retained Earnings

for the year ended
December 31

	1974	1973
Sales	\$517,586,000	\$383,289,000
Costs and expenses		
Operating costs excluding depreciation	430,236,000	331,900,000
Provision for depreciation	21,813,000	18,579,000
	452,049,000	350,479,000
Income from operations	65,537,000	32,810,000
Income from investments	2,811,000	3,282,000
Share in earnings of associated companies (note 1)	972,000	—
Long term debt interest, discount and expense	(3,115,000)	(3,217,000)
Income before provision for taxes	66,205,000	32,875,000
Provision for income taxes	28,900,000	14,876,000
Net income including minority interest	37,305,000	17,999,000
Minority shareholders' interest in the net income of subsidiary companies	2,463,000	2,047,000
Net income before extraordinary items	34,842,000	15,952,000
Extraordinary items — net (note 5)	20,000	53,000
Net income after extraordinary items	34,862,000	16,005,000
Retained earnings at beginning of year	76,443,000	68,937,000
Deduct: Dividends		
Preferred — 7½ %	174,000	174,000
Common (\$1.15; 1973 — \$0.85)	11,263,000	8,325,000
	11,437,000	8,499,000
Retained earnings at end of year	\$ 99,868,000	\$ 76,443,000
Earnings per common share, after preferred dividends		
Before extraordinary items	\$3.54	\$1.61
After extraordinary items	\$3.54	\$1.62

Consolidated Balance Sheet

at December 31

	1974	1973
Current assets		
Cash and deposits at interest	\$ 12,716,000	\$ 48,459,000
Marketable securities (market value \$125,000; 1973 \$183,000)	119,000	181,000
Accounts receivable	82,676,000	60,639,000
Due from affiliated companies	714,000	760,000
Inventories (note 2)	108,016,000	64,872,000
Prepaid expenses	2,687,000	2,710,000
Total	<u>206,928,000</u>	<u>177,621,000</u>
 Deduct:		
Current liabilities		
Bank loans	2,116,000	2,350,000
Accounts and notes payable and accrued liabilities	65,536,000	44,466,000
Due to affiliated companies	4,671,000	5,318,000
Federal and provincial income taxes payable	13,960,000	9,959,000
Dividends payable	4,057,000	3,292,000
Long term debt due within one year	—	4,977,000
Total	<u>90,340,000</u>	<u>70,362,000</u>
 Working capital	116,588,000	107,259,000
Notes receivable due after 1975	1,713,000	1,476,000
Investment in associated companies	6,478,000	6,517,000
Land, buildings and equipment (note 3)	145,812,000	115,523,000
Unamortized debenture discount and expense	273,000	330,000
Funds invested	<u>\$270,864,000</u>	<u>\$231,105,000</u>
 Financed by:		
Long term debt (note 4)	\$ 63,766,000	\$ 55,476,000
Minority shareholders' interest in subsidiary companies	11,336,000	8,796,000
Deferred income taxes	19,703,000	14,199,000
 Shareholders' equity		
Capital stock	Shares	
7½ % cumulative preferred of \$50 par value		
Authorized and issued	46,500	2,325,000
Common of no par value		
Authorized	13,500,000	
Issued	9,794,161	73,866,000
Retained earnings		99,868,000
Total	<u>176,059,000</u>	<u>152,634,000</u>
	<u>\$270,864,000</u>	<u>\$231,105,000</u>

On behalf of the Board:

E. L. Hamilton , Director
James Sinclair , Director

Consolidated Statement of Changes in Financial Position

for the year ended December 31

Source of funds	1974	1973
Funds from operations		
Net income before extraordinary items	\$ 34,842,000	\$ 15,952,000
Depreciation and amortization	22,170,000	18,637,000
Deferred income taxes	5,465,000	1,946,000
Share in earnings of associated companies in excess of dividends received	(894,000)	—
	61,583,000	36,535,000
Minority share of net income in subsidiary companies, less dividends	1,489,000	1,366,000
Issue of long term debt	8,930,000	3,100,000
Sale of fixed assets	1,796,000	1,222,000
Redemption of preferred shares of associated companies	765,000	—
Net decrease in working capital excluding cash, marketable securities and bank loans	—	7,276,000
Issue of shares to minority interest in a subsidiary company	1,506,000	—
Total	76,069,000	49,499,000
 Application of funds		
Dividends	11,437,000	8,499,000
Additions to fixed assets		
Canadian Industries Limited	47,567,000	21,532,000
Canadian Freehold Properties Ltd.	8,991,000	3,302,000
Acquisition and disposal of subsidiaries and shares in associated companies — net, less cash acquired	1,035,000	1,300,000
Retirement of long term debt	640,000	11,080,000
Notes receivable	237,000	430,000
Net increase in working capital excluding cash, marketable securities and bank loans	41,733,000	—
Total	111,640,000	46,143,000
(Reduction) increase in funds for year	(35,571,000)	3,356,000
Funds on hand less bank loans January 1	46,290,000	42,934,000
Funds on hand less bank loans December 31	\$ 10,719,000	\$ 46,290,000

Notes to Consolidated Financial Statements

December 31, 1974

1. Accounting policies

The Company follows generally accepted accounting principles which are applied on a consistent basis, except for modifications which are made from time to time to reflect current accounting practices and to improve financial reporting. As from January 1, 1974, the following changes have been introduced.

- a) The net difference between the cost of investments and the net book value of the assets of subsidiaries at date of acquisitions is being amortized over a period of ten years.
- b) The equity method of accounting has been applied to the investment in associated companies.
- c) Vacation pay earned to December 31, 1974 but not paid has been accrued, whereas in prior years such amounts were charged to income when paid.

The net effect of these changes for the year ended December 31, 1974 reduced net income by \$2,186,000.

Basis of consolidation

The accounts include Canadian Industries Limited and all of its subsidiary companies. The Company accounts for acquisitions on a purchase basis and follows the policy of adding to or deducting from consolidated fixed assets the difference between the cost of its investments and the net book value of the assets of subsidiaries at date of acquisition. At December 31, 1974 this difference less amount amortized is \$2,800,000.

Foreign currencies

Current assets and liabilities and income accounts of foreign subsidiaries are converted into Canadian dollars at exchange rates in effect at the end of the respective reporting periods. Fixed assets, long term liabilities and shareholders' equity are converted at rates of exchange in effect when first acquired, incurred or issued.

Inventories

Inventories are valued at the lower of average cost and net realizable value. Goods in process and manufactured finished goods include raw material, direct labour and manufacturing overhead expenses. Provision is made for obsolete and slow-moving stock. Inventories of land of Canadian Freehold Properties Ltd. held for sale or development are valued at cost.

Investment in associated companies

The value of shares of associated companies is shown at cost less amounts written off where underlying value of assets no longer exists and, as from January 1, 1974, have been adjusted to reflect the Company's share of earnings for the year.

Fixed assets and depreciation

Buildings and equipment are carried at cost less accumulated depreciation. Depreciation is provided on a straight line basis applied to the estimated useful life of the assets.

Research and development

All expenditures for research and development, except buildings and major items of equipment used for this purpose, are charged to income as incurred.

2. Inventories

The inventories are classified as follows:

	December 31, 1974	December 31, 1973
Raw materials	\$ 34,561,000	\$ 18,453,000
Goods in process and finished goods	59,245,000	41,099,000
Stores and supplies	2,237,000	1,994,000
	96,043,000	61,546,000
Land held for sale or development	11,973,000	3,326,000
	\$108,016,000	\$ 64,872,000

3. Land, buildings and equipment

	December 31, 1974	December 31, 1973
Land at cost	\$ 6,480,000	\$ 9,219,000
Buildings and equipment	323,097,000	270,770,000
Less: Accumulated depreciation	183,765,000	164,466,000
	139,332,000	106,304,000
	\$145,812,000	\$115,523,000

It is estimated that expenditures of \$62 million will be required to complete projects authorized prior to December 31, 1974.

4. Long term debt

	December 31, 1974	December 31, 1973
Canadian Industries Limited		
3¾% sinking fund debentures due November 15, 1974	\$ 25,000,000	\$ 25,000,000
Less: Purchased and cancelled	25,000,000	20,023,000
	—	4,977,000
Due within one year	—	4,977,000
	—	—
5¾% debentures due December 1, 1977	20,000,000	20,000,000
5⅝% debentures due December 1, 1984	30,000,000	30,000,000
Other	1,736,000	2,376,000
	51,736,000	52,376,000
Canadian Freehold Properties Ltd.		
Bank loans due 1976-1979 — secured	5,284,000	2,000,000
Mortgages payable 9½-9¾% to 2010	6,746,000	1,100,000
	12,030,000	3,100,000
	\$ 63,766,000	\$ 55,476,000

5. Extraordinary items

Details of the extraordinary items are as follows:

Gains arising from sale of land, buildings and investments	\$649,000
Less: Write off of excess of investment in shares of subsidiary companies over net book value of assets, where underlying value no longer exists	629,000
	<u>\$ 20,000</u>

6. Pension Plan

The Company and most of its subsidiaries have a pension plan covering the majority of their employees. The contributions made by the companies and their employees are deposited in an irrevocable trust fund in accordance with the terms of the plan. There is an unfunded liability at the last actuarial valuation in December 1973 with respect to past services, which will be paid over the following 16 years at a rate of \$165,000 per year, in accordance with the regulations made under the Quebec Supplemental Pension Plans Act.

7. Contingent Liabilities

The Company had contingent liabilities as at December 31, 1974 of \$2,140,000 with respect to guaranteed loans to other companies and other contingent liabilities of \$325,000.

8. Remuneration of Directors and Senior Officers of this Company

	1974		1973	
	Number	Amount	Number	Amount
As directors	13	\$ 69,000	13	\$ 66,000
As officers	14	840,000	16	800,000
Officers who are also directors	3		4	

9. Lease commitments

The Company has certain lease commitments for the rental of buildings, tank cars and other facilities with aggregate net rentals of approximately \$6,800,000 per annum expiring at various dates to 1998.

10. Sales by Classes of Business

	1974		1973	
	Amount	%	Amount	%
Agricultural and Industrial Chemicals	\$264,933,000	51	\$185,532,000	48
Explosives, Ammunition and related products	151,542,000	29	121,159,000	32
Paints and Pigments	56,693,000	11	46,947,000	12
Other	44,418,000	9	29,651,000	8
	<u>\$517,586,000</u>	<u>100</u>	<u>\$383,289,000</u>	<u>100</u>

Auditors' Report

The Shareholders,
Canadian Industries Limited

We have examined the consolidated balance sheet of Canadian Industries Limited and its subsidiaries as at December 31, 1974 and the consolidated statements of income and retained earnings and changes in financial position for the year then ended. For Canadian Industries Limited and those subsidiaries of which we are the auditors, our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. With respect to those subsidiaries of which we are not the auditors, we have carried out such enquiries and examinations as we considered necessary in order to accept for purposes of consolidation the reports of the other auditors.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at December 31, 1974 and the results of their operations and the changes in financial position for the year then ended, in accordance with generally accepted accounting principles applied, except for the changes referred to in Note 1, on a basis consistent with that of the preceding year.

Touche Ross & Co.

Chartered Accountants

Montreal, Canada
February 7, 1975

Consolidated Financial Review

	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965
Consolidated Income Statement Items (millions of dollars)										
Sales	517.6	383.3	324.5	349.2	323.3	324.2	305.1	273.0	262.5	236.4
Depreciation	21.8	18.6	17.6	19.7	19.8	21.3	18.9	13.0	11.7	10.4
Income from operations	65.5	32.8	23.6	24.3	19.8	24.0	24.7	18.8	22.2	18.4
Long term debt interest, discount and expense	3.1	3.2	3.4	4.2	4.7	4.7	5.0	4.7	3.7	3.6
Provision for income taxes	28.9	14.9	10.1	9.9	6.5	7.4	10.4	8.2	9.9	7.6
Net income*	34.8	16.0	10.5	9.5	8.1	10.5	10.0	6.9	9.6	8.1
Dividends	11.4	8.5	6.1	6.1	6.1	6.1	5.1	6.5	6.5	6.5
Consolidated Balance Sheet Items (millions of dollars)										
Working capital	116.6	107.3	111.2	87.0	68.1	65.8	57.1	45.4	58.9	76.9
Fixed assets	329.6	280.0	262.3	253.0	320.2	297.0	301.7	306.5	276.6	233.8
Accumulated depreciation	183.8	164.5	148.6	132.7	164.6	145.9	136.8	130.9	119.9	110.0
Capital expenditures	56.6	24.8	12.8	16.8	14.8	15.0	14.0	32.0	44.7	52.0
Long term debt	63.8	55.5	63.1	66.1	83.6	82.5	87.3	86.2	85.0	70.6
Shareholders' equity										
Preferred 7½ %	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Common	173.7	150.3	142.8	138.3	127.9	125.8	118.3	113.4	113.0	109.9
Per Share of Common Stock (dollars per share)										
Earnings*	3.54	1.61	1.06	0.95	0.81	1.05	1.00	0.69	0.96	0.81
Dividends	1.15	0.85	0.60	0.60	0.60	0.60	0.50	0.65	0.65	0.65
Equity	17.74	15.35	14.58	14.12	13.06	12.84	12.08	11.58	11.54	11.22
Quarterly earnings										
1st Quarter	0.51	0.17								
2nd Quarter	1.31	0.79								
3rd Quarter	0.75	0.34								
4th Quarter	0.97	0.31								
Year	3.54	1.61								

*Before extraordinary items

Revue des états consolidés

	1974	1973	1972	1971	1970	1969	1968	1967	1966	1965
Postes de l'état consolidé du revenu (millions de dollars)										
Ventes	517.6	383.3	324.5	349.2	323.3	324.2	305.1	273.0	262.5	236.4
Amortissement	21.8	18.6	17.6	19.7	19.8	21.3	18.9	13.0	11.7	10.4
Bénéfice d'exploitation	65.5	32.8	23.6	24.3	19.8	24.0	24.7	18.8	22.2	18.4
Intérêt, escompte et frais										
relatifs à la dette à long terme	3.1	3.2	3.4	4.2	4.7	4.7	5.0	4.7	3.7	3.6
Provision pour										
impôts sur le revenu	28.9	14.9	10.1	9.9	6.5	7.4	10.4	8.2	9.9	7.6
Bénéfice net*	34.8	16.0	10.5	9.5	8.1	10.5	10.0	6.9	9.6	8.1
Dividendes	11.4	8.5	6.1	6.1	6.1	6.1	5.1	6.5	6.5	6.5
Postes du bilan consolidé (millions de dollars)										
Fonds de roulement	116.6	107.3	111.2	87.0	68.1	65.8	57.1	45.4	58.9	76.9
Immobilisations	329.6	280.0	262.3	253.0	320.2	297.0	301.7	306.5	276.6	233.8
Amortissement accumulé	183.8	164.5	148.6	132.7	164.6	145.9	136.8	130.9	119.9	110.0
Dépenses en immobilisations	56.6	24.8	12.8	16.8	14.8	15.0	14.0	32.0	44.7	52.0
Dette à long terme	63.8	55.5	63.1	66.1	83.6	82.5	87.3	86.2	85.0	70.6
Avoir des actionnaires										
Actions privilégiées à 7½ %	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Actions ordinaires	173.7	150.3	142.8	138.3	127.9	125.8	118.3	113.4	113.0	109.9
Répartition par action ordinaire (dollars par action)										
Bénéfice*	3.54	1.61	1.06	0.95	0.81	1.05	1.00	0.69	0.96	0.81
Dividendes	1.15	0.85	0.60	0.60	0.60	0.60	0.50	0.65	0.65	0.65
Avoir	17.74	15.35	14.58	14.12	13.06	12.84	12.08	11.58	11.54	11.22
Bénéfice trimestriel										
1 ^{er} trimestre	0.51	0.17								
2 ^e trimestre	1.31	0.79								
3 ^e trimestre	0.75	0.34								
4 ^e trimestre	0.97	0.31								
Exercice	3.54	1.61								

*Sans les postes extraordinaires

Rapport des vérificateurs

Aux actionnaires
Canadian Industries Limited

Nous avons examiné le bilan consolidé de la Canadian Industries Limited et de ses filiales au 31 décembre 1974 et les états consolidés du revenu et des bénéfices non répartis ainsi que de l'évolution de la situation financière pour l'exercice clos à cette date. En ce qui concerne la Canadian Industries Limited et les filiales dont nous sommes les vérificateurs, notre examen a compris une revue générale des méthodes comptables et les sondages des livres et des pièces justificatives que nous avons jugés nécessaires dans les circonstances. Relativement aux filiales dont nous ne sommes pas les vérificateurs, nous avons obtenu les informations et effectué les examens jugés nécessaires pour accepter, aux fins de la consolidation, les rapports soumis par d'autres vérificateurs.

A notre avis, ces états financiers consolidés exposent fidèlement la situation financière des compagnies au 31 décembre 1974 ainsi que les résultats de leur exploitation et l'évolution de leur situation financière pour l'exercice clos à cette date, conformément aux principes comptables généralement admis et appliqués, à l'exception des changements mentionnés dans la note 1, suivant les mêmes modalités qu'au cours de l'exercice précédent.

Therese Ronz Cie

Comptables agréés

Montréal, Canada
le 7 février 1975

5. Postes extraordinaires

Les postes extraordinaires comprennent:

Gains provenant de la vente de terrains, d'immeubles et de placements

Moins: Radiation de l'excédent de la participation dans des filiales sur la valeur comptable nette de leur actif, la valeur sous-jacente étant devenue nulle

\$649 000	
629 000	
<u>\$ 20 000</u>	

6. Régime de retraite

La Compagnie et la plupart de ses filiales offrent un régime de retraite à la majorité de leurs employés. Les cotisations versées par les compagnies et les employés sont détenues, selon les termes du régime, dans un compte en fiducie irrévocable. Selon la dernière évaluation actuarielle soumise en décembre 1973, le régime a un passif non pourvu à l'égard des services passés, dont le montant sera payé au cours des seize prochaines années à raison de \$165 000 par année, conformément aux termes des règlements adoptés en vertu de la Loi des régimes supplémentaires de rentes du Québec.

7. Passif éventuel

Au 31 décembre 1974, la Compagnie a un passif éventuel de \$2 140 000 par suite de la garantie d'emprunts d'autres compagnies et un autre passif éventuel de \$325 000.

8. Rémunération des membres du Conseil d'administration et de la Direction de la Compagnie

1974		1973	
Nombre	Montant	Nombre	Montant
13	\$ 69 000	13	\$ 66 000
14	840 000	16	800 000
A titre de membres de la Direction			
Membres de la Direction qui sont également administrateurs			

9. Engagements en vertu des baux

La Compagnie a certains engagements aux termes de baux portant sur des immeubles, des wagons-citernes et d'autres installations; les loyers annuels nets sont d'environ \$6 800 000 et les baux viennent à échéance à différentes dates d'ici 1998.

10. Ventes par secteurs d'activité

1974		1973	
Montant	%	Montant	%
\$264 933 000	51	\$185 532 000	48
151 542 000	29	121 159 000	32
56 693 000	11	46 947 000	12
44 418 000	9	29 651 000	8
\$517 586 000	100	\$383 289 000	100
Produits chimiques agricoles et industriels			
Explosifs, munitions et produits connexes			
Peintures et pigments			
Autres produits			

2. Stocks

Les stocks sont classés comme suit:

Les stocks sont classés comme suit:	31 décembre	1974	31 décembre
Matières premières	\$ 34 561 000	\$ 18 453 000	
Produits en cours de fabrication et produits finis	59 245 000	41 099 000	
Approvisionnements et fournitures	2 237 000	1 994 000	
Terrains pour revente ou mise en valeur	96 043 000	61 546 000	
	11 973 000	3 326 000	
	\$108 016 000	\$ 64 872 000	

3. Immobilisations

3. Immobilisations	
Terrains au prix coûtant	\$ 6 480 000
Immeubles et outillage	323 097 000
Moins: Amortissement accumulé	183 765 000
	139 332 000
	\$145 812 000
31 décembre 1973	\$ 9 219 000
31 décembre 1974	270 770 000
	164 466 000
	106 304 000
	\$115 523 000

On prévoit que des dépenses de \$62 million seront nécessaires pour mener à terme les projets d'immobilisations autorisés antérieurement au 31 décembre 1974.

4. Dette à long terme

4. Dette à long terme	31 décembre 1974	31 décembre 1973
Canadian Industries Limited		
Débiteures 3¼ % avec fonds d'amortissement	\$ 25 000 000	\$ 25 000 000
échéant le 15 novembre 1974		
Moins: rachetées et annulées	25 000 000	20 023 000
	—	4 977 000
Échéant à moins d'un an	—	4 977 000
Débiteures 5¼ % échéant le 1er décembre 1977	20 000 000	20 000 000
Débiteures 5½ % échéant le 1er décembre 1984	30 000 000	30 000 000
Autres dettes	1 736 000	2 376 000
	51 736 000	52 376 000
Canadian Freehold Properties Ltd.		
Emprunts bancaires garantis, échéant de 1976 à 1979	5 284 000	2 000 000
Hypothèques 9½-9¾ % remboursables d'ici 2010	6 746 000	1 100 000
	12 030 000	3 100 000
	\$ 63 766 000	\$ 55 476 000

1. Méthodes comptables

La Compagnie respecte les principes comptables généralement admis, lesquels sont appliqués suivant les mêmes modalités d'un exercice à l'autre, à l'exception de certaines modifications que l'on apporte de temps à autre afin de tenir compte des pratiques comptables courantes et d'améliorer la présentation financière. Le 1er janvier 1974, on a introduit les modifications suivantes:

- a) La différence nette entre le prix coûtant des participations et la valeur comptable nette de l'actif des filiales à la date de leur acquisition est amortie en dix ans.
- b) La participation dans les compagnies associées est comptabilisée à la valeur de consolidation.
- c) Les payes de vacances gagnées mais impayées au 31 décembre 1974 sont portées dans les comptes; dans les exercices précédents, les sommes en cause étaient imputées aux dépenses lors de leur paiement.

Ces modifications ont eu pour effet de réduire le bénéfice net de \$2 186 000 pour l'exercice clos le 31 décembre 1974.

Consolidation

Les états consolidés comprennent les comptes de la Canadian Industries Limited et de toutes ses filiales. La Compagnie comptabilise ses acquisitions selon la méthode de l'achat pur et simple et elle a comme politique d'ajouter aux immobilisations consolidées, ou d'en déduire, la différence entre le prix coûtant de ses participations dans les filiales et la valeur comptable nette de leur actif à la date de l'acquisition. Au 31 décembre 1974, cette différence, moins l'amortissement, est de \$2 800 000.

Devises étrangères

L'actif et le passif à court terme des filiales étrangères ainsi que leurs comptes de revenus et de dépenses sont convertis en dollars canadiens selon les cours des changes en vigueur à la fin de leurs exercices respectifs. Les immobilisations, la dette à long terme et l'avoir des actionnaires de ces mêmes filiales sont convertis selon les cours en vigueur au moment de leur acquisition, prise en charge ou émission initiale.

Stocks

Les stocks sont évalués au moindre du prix coûtant moyen et de la valeur nette réalisable. Les produits en cours de fabrication et les produits finis comprennent les matières premières, la main-d'oeuvre directe et les frais généraux de fabrication. Une provision tient compte des marchandises désuètes et difficiles à écouler. Les stocks de terrains de la Canadian Freehold Properties Ltd. , détenus pour revente ou mise en valeur, sont évalués au prix coûtant.

Participation dans les compagnies associées

Les actions des compagnies associées sont comptabilisées au prix coûtant moins les sommes radiées lorsque la valeur d'actif sous-jacente est devenue nulle et, à compter du 1er janvier 1974, leur valeur comptable a été redressée pour tenir compte de la quote-part des bénéfices de l'exercice revenant à la Compagnie.

Immobilisations et amortissement

Les immeubles et l'outillage sont inscrits au prix coûtant moins l'amortissement accumulé. L'amortissement est calculé selon la méthode linéaire et basé sur une estimation de la durée utile des biens.

Recherche et mise en valeur

Toutes les dépenses engagées aux chapitres de la recherche et de la mise en valeur, à l'exception des immeubles et de l'outillage principal servant à cette fin, sont imputées aux résultats de l'exercice où elles sont effectuées.

Etat consolidé de l'évolution de la situation financière pour l'exercice clos le 31 décembre

Provenance des fonds		
Fonds provenant de l'exploitation		
Bénéfice net sans les postes extraordinaires		\$ 34 842 000
Amortissements		22 170 000
Impôts sur le revenu reportés		5 465 000
Excédent de la quote-part des bénéfices des compagnies associées sur les dividendes reçus		(894 000)
		61 583 000
Part des actionnaires minoritaires dans les bénéfices nets des filiales moins les dividendes		1 489 000
Dettes à long terme		8 930 000
Vente d'immobilisations		1 796 000
Rachat d'actions privilégiées de compagnies associées		765 000
Diminution nette du fonds de roulement à l'exclusion de l'encaisse, des titres négociables et des emprunts bancaires		—
Emission d'actions au bénéfice des actionnaires minoritaires d'une filiale		1 506 000
Total		76 069 000
		49 499 000
Utilisation des fonds		
Dividendes		11 437 000
Nouvelles immobilisations		47 567 000
Canadian Industries Limited		8 991 000
Canadian Freehold Properties Ltd.		3 302 000
Acquisition et vente de filiales et d'actions de compagnies associées — net, moins l'encaisse acquise		1 035 000
Remboursement sur la dette à long terme		640 000
Effets à recevoir		237 000
Augmentation nette du fonds de roulement à l'exclusion de l'encaisse, des titres négociables et des emprunts bancaires		41 733 000
Total		111 640 000
		46 143 000
(Diminution) augmentation des fonds au cours de l'exercice		
Fonds en main moins les emprunts bancaires au 1er janvier		46 290 000
		3 356 000
		42 934 000
Fonds en main moins les emprunts bancaires au 31 décembre		
		\$ 46 290 000

Bilan
consolidé

au 31 décembre

Actif à court terme			
A déduire:	Encaisse et dépôts portant intérêt	12 716 000	\$ 48 459 000
	Titres négociables (valeur marchande \$125 000; en 1973 \$183 000)	119 000	181 000
	Comptes de clients	82 676 000	60 639 000
	Sommes à recevoir de compagnies affiliées	714 000	760 000
	Stocks (note 2)	108 016 000	64 872 000
	Frais payés d'avance	2 687 000	2 710 000
	Total	206 928 000	177 621 000
Passif à court terme			
	Emprunts bancaires	2 116 000	2 350 000
	Comptes et effets à payer et frais courus	65 536 000	44 466 000
	Sommes à payer à des compagnies affiliées	4 671 000	5 318 000
	Impôts fédéral et provinciaux sur le revenu	13 960 000	9 959 000
	Dividendes à payer	4 057 000	3 292 000
	Dette à long terme échéant à moins d'un an	—	4 977 000
	Total	90 340 000	70 362 000
Fonds de roulement			
	Effets à recevoir échéant après 1975	116 588 000	107 259 000
	Participation dans les compagnies associées	6 478 000	6 517 000
	Immobilisations (note 3)	145 812 000	115 523 000
	Escompte et frais non amortis relatifs aux débentures	273 000	330 000
	Investissement total	\$270 864 000	\$231 105 000
Avoir des actionnaires			
Capital-actions	Actions privilégiées, 7½ % cumulatif, valeur nominale \$50	Actions	2 325 000
	Autorisées et émises		
	46 500		
	Actions ordinaires sans valeur nominale		
	Autorisées		
	13 500 000		
	Émises		
	9 794 161		
	Bénéfices non répartis		
	Total		
	176 059 000		152 634 000
	\$270 864 000		
	73 866 000		
	99 868 000		
	76 443 000		
	73 866 000		
	2 325 000		
	2 325 000		
	73 866 000		
	\$270 864 000		

Pour le Conseil:

E. L. Hamilton , administrateur
James Sinclair , administrateur

Etat consolidé du revenu et des bénéfices non répartis

pour l'exercice clos
le 31 décembre

Ventes		
	\$517 586 000	1974
	\$383 289 000	1973
Coûts et dépenses:		
Frais d'exploitation à l'exclusion de l'amortissement	430 236 000	
Provision pour amortissement	21 813 000	
	452 049 000	
Bénéfice d'exploitation	65 537 000	
Revenu de placements	2 811 000	
Quote-part des bénéfices des compagnies associées (note 1)	972 000	
Intérêt, escompte et frais relatifs à la dette à long terme	(3 115 000)	
Bénéfice avant provision pour impôts sur le revenu	66 205 000	
Provision pour impôts sur le revenu	28 900 000	
Bénéfice net, y compris la part des actionnaires minoritaires	37 305 000	
Part des actionnaires minoritaires dans les bénéfices nets des filiales		
Bénéfice net sans les postes extraordinaires	34 842 000	
Postes extraordinaires — net (note 5)	20 000	
Bénéfice net, y compris les postes extraordinaires	34 862 000	
Bénéfices non répartis au début de l'exercice	76 443 000	
Moins: Dividendes		
actions privilégiées — 7½ %	174 000	
actions ordinaires (\$1.15 l'action; 85 cents en 1973)	11 263 000	
	11 437 000	
Bénéfices non répartis à la fin de l'exercice	\$ 99 868 000	
Bénéfice par action ordinaire, après dividendes sur les actions privilégiées	\$3.54	\$1.61
Sans les postes extraordinaires	\$3.54	\$1.62
Y compris les postes extraordinaires		

Immobilisations

Les acquisitions en terrains, en immeubles et en équipement au cours de 1974 ont coûté \$48 602 000, sans tenir compte de celles de Canadian Freehold Properties Ltd. Les principales affectations ont porté sur la construction de l'usine de chlorocalis de Bécancour, au Québec, dont l'ouverture est prévue pour le milieu de 1975, l'agrandissement de l'usine d'acide sulfurique à Copper Cliff, en Ontario, et la centralisation d'installations de conditionnement de produits chimiques à Cornwall, en Ontario. Les travaux de terrassement d'une importante usine de nitrate d'ammonium près de Calgary, en Alberta, sont en cours. La capacité de production annuelle de cette usine sera de 250 000 tonnes.

Les immobilisations de Canadian Freehold Properties Ltd. se sont élevées à \$8 991 000 au cours de 1974. Ces chiffres comprennent le coût de construction d'immeubles à bureaux et d'entrepôts pour fins de location. De plus, cette compagnie a acheté pour \$8 647 000 de terrains qu'elle désire mettre en valeur. Ce montant est inscrit au poste "stocks" du bilan consolidé.

Divers

La Compagnie a retiré de la circulation le solde de \$4 977 000 de déventures à 3¼%, échéant le 15 novembre 1974.

Modification des méthodes comptables

Afin d'appliquer les méthodes comptables courantes, la Compagnie a adopté trois pratiques qui consistent en l'inscription des indemnités de vacances gagnées, mais non versées, au 31 décembre 1974, alors que par les années passées, ces sommes étaient soustraites du revenu au moment où elles avaient été payées, la comptabilisation à la valeur de consolidation des bénéfices des compagnies associées et l'amortissement, sur une période de dix ans, de la différence entre le coût des investissements dans les filiales et la valeur comptable de leur actif net à la date de leur acquisition. L'adoption de ces trois pratiques a eu pour effet de réduire le bénéfice net de \$2 186 000.

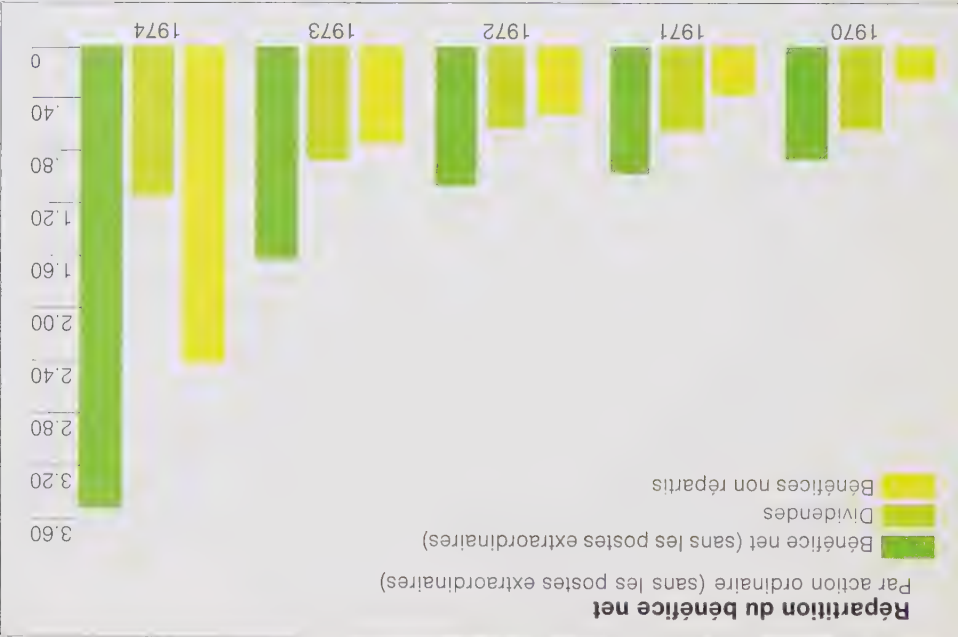
Le taux élevé d'inflation a également de graves répercussions sur l'encaisse de la Compagnie. Il faut, en effet, de plus en plus de fonds pour remplacer les stocks et absorber la valeur accrue, en dollars, des comptes à recevoir pour un même volume d'affaires. De plus, l'impôt sur le revenu, qui est toujours calculé selon les méthodes comptables traditionnelles, éprouve davantage les ressources financières essentielles au maintien du niveau actuel des affaires de la Compagnie. Au total, ces besoins ont excédé les fonds engendrés par les bénéfices pendant l'exercice.

Un autre domaine a subi les effets néfastes de l'inflation: il s'agit du marché des capitaux. En effet, le coût des intérêts augmente et la disponibilité des capitaux, du point de vue avoir et dette à long terme, est restreinte. Dans un secteur comme celui des produits chimiques qui exige beaucoup de capitaux, il devient bien plus difficile et risqué d'engendrer ou d'obtenir les fonds supplémentaires nécessaires pour maintenir le niveau actuel d'activité et augmenter la capacité de production de façon à satisfaire à la demande croissante du marché.

Fonds de roulement

Au 31 décembre 1974, l'encaisse nette s'élevait à \$10 719 000, ce qui signifie une baisse de \$35 571 000 depuis la fin de l'exercice 1973. Ces chiffres traduisent de fortes dépenses en immobilisations et une augmentation considérable des comptes à recevoir et des stocks.

Les postes du fonds de roulement, exception faite de l'encaisse, se sont accrus de \$44 900 000 par rapport à l'exercice précédent. Les comptes à recevoir ont augmenté de \$22 037 000 et la valeur des stocks s'est accrue de \$43 144 000 pour atteindre \$108 016 000. Cette hausse dans les stocks est surtout due à la forte augmentation des coûts de matières premières, de main-d'oeuvre et des autres coûts d'exploitation; elle est aussi attribuable à la constitution de réserves en prévision de pénuries éventuelles, particulièrement en ce qui concerne les matières premières nécessaires à la fabrication de produits chimiques agricoles. Dans les stocks, on retrouve aussi des terrains d'une valeur de \$11 973 000 que détient Canadian Freehold Properties Ltd. à des fins de revente ou de mise en valeur. Cependant, ces augmentations ont été en partie compensées par un accroissement des comptes, effets et impôts à payer, de l'ordre de \$25 071 000.



Bénéfices et dividendes

Le bénéfice consolidé de la CIL en 1974 a atteint \$34 852 000, soit \$3.54 par action ordinaire, après déduction des dividendes sur les actions privilégiées, par rapport à \$15 952 000 ou \$1.61 par action ordinaire pour l'exercice 1973. En 1974, les dividendes s'élèvent à \$1.15 par action ordinaire, ce qui comprend quatre dividendes trimestriels de 25 cents et un dividende spécial de 15 cents par action pour le dernier trimestre. Les dividendes de l'exercice précédent étaient de 85 cents par action.

Ventes et exploitation

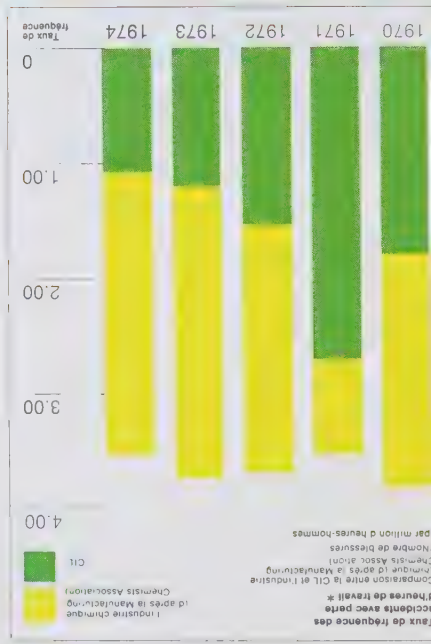
En 1974, les ventes consolidées ont poursuivi leur courbe ascendante et se sont chiffrées à \$517 586 000, ce qui représente une hausse de \$134 297 000 ou 35% sur l'exercice précédent. La demande de produits de la Compagnie a été forte tout au long de l'année, et tous les secteurs d'activité ont enregistré un accroissement considérable des ventes. Les secteurs des produits chimiques agricoles et industriels ainsi que celui des plastiques, grâce à une production maximum continue et des prix de vente plus élevés, ont été pour une grande part à l'origine de l'accroissement des ventes et des bénéfices. D'autre part, la forte et rapide augmentation du prix des matières premières, au coût de la main-d'œuvre et des autres coûts de production, que n'ont pas compensé complètement les ajustements des prix de vente, a entraîné la diminution des marges bénéficiaires, en termes de pourcentage par rapport aux ventes, dans les secteurs des peintures, des explosifs industriels et des munitions de sport.

En 1974, l'amortissement s'établissait à \$21 813 000, ce qui représente une augmentation de \$3 234 000 sur 1973. Cette hausse est due principalement à l'amortissement des nouvelles installations mises en service au cours de l'exercice. Comme par les années passées, la Compagnie a amorti chaque usine ou installation selon une méthode linéaire basée sur une

Effets de l'inflation

Même si l'augmentation des ventes et des profits a été forte pendant l'exercice, il faut, dans l'évaluation des résultats financiers, tenir compte du niveau très élevé d'inflation. Conséquemment, en période d'inflation rapide, les méthodes comptables traditionnelles amoindrissent considérablement, en termes de pourcentage, les bénéfices. Le bénéfice net consolidé après provision pour impôts serait de \$18 000 000 au montant inscrit. Le bénéfice net consolidé après provision pour impôts serait proportionnellement moins élevé et les bénéfices par action passeraient de \$3.54 l'action ordinaire, tel qu'inscrit, à environ \$2.10. L'achat réel du dollar, on estime que le bénéfice avant provision pour impôts serait inférieur de \$18 000 000 au montant inscrit. Le bénéfice net consolidé après provision pour impôts serait de \$173 700 000, chiffre obtenu d'après les méthodes comptables traditionnelles à \$207 800 000, si l'on tient compte du pouvoir d'achat réel du dollar, et le rendement de cet avoir passerait de 20% à 10%.





Molson, grâce à sa parfaite connaissance du contexte canadien et à son sens aigu des affaires, s'est avéré un homme fort précieux tant pour la Direction de la Compagnie que pour ses collègues du Conseil.

M. David M. Coyle, un des vice-présidents de la Compagnie, est nommé au poste d'administrateur lauréat laissé vacant à la suite du décès de M. Hynes.

2

La CIL a ouvert en 1974 un nouveau Centre de conférences dans la région des Laurentides. Ce centre, situé à l'Alpine Inn de Sainte-Marguerite, au Québec, est destiné aux employés qui doivent suivre les cours de perfectionnement et de gestion de la Compagnie.

Les employés de Chemetics International Ltd., filiale en toute propriété de la CIL, et les employés de la CIL ont prouvé une fois de plus qu'il y a place pour la créativité au sein de la Compagnie. Ils ont en effet mis au point une nouvelle technique qui est maintenant prête à être lancée sur le marché mondial de la fabrication d'acide sulfurique. Cette technique tout à fait révolutionnaire consiste à convertir en SO_2 le SO_3 contenu dans les gaz de fondrière en utilisant une méthode d'écoulement radial plutôt qu'en recourant au procédé traditionnel par lequel on fait passer les gaz à travers un lit catalytique horizontal. Cette innovation a donc amené la création d'un nouveau convertisseur qui présente l'avantage d'accroître la capacité de production et permet un fonctionnement continu pendant une période prolongée. Sur la photo, on voit un soudeur en train d'installer un convertisseur à l'usine d'acide sulfurique de Copper Cliff, en Ontario, où l'appareil remporte à l'heure actuelle un vif succès.

1

Personnel

Pour la deuxième année consécutive, les employés ont atteint un niveau record de sécurité dans l'histoire de la CIL. Il y a là de quoi être très fier. En effet, le taux de fréquence d'accidents entraînant incapacité est, en 1974, de 1,09 par million d'heures-homme. Pour atteindre ce chiffre record, non seulement il a fallu relever les défis et y consacrer les ressources humaines et techniques nécessaires, mais encore obtenir la collaboration de tous les employés pour mener à bien les programmes de prévention des accidents.

La CIL s'est fixé comme objectif d'éliminer complètement les accidents du travail aussi bien dans ses usines que dans ses filiales. Un progrès sensible s'est déjà fait sentir lorsque les normes et mesures de sécurité de la CIL ont été appliquées aux filiales. A la fin de 1974, les principales filiales s'employaient déjà à atteindre un certain nombre d'objectifs de sécurité. Nous déplorons toutefois un accident à Alchem Limited qui, au début de 1974, a coûté la vie à un employé qui travaillait dans l'usine d'un de nos clients. Il nous faut aussi malheureusement signaler qu'un employé de la CIL a perdu la vie dans un accident du travail survenu à l'usine de Dalhousie au début de 1975. Depuis son ouverture en 1963, il n'y avait eu dans cette usine aucun accident entraînant incapacité.

La Compagnie se fixe non seulement des objectifs, mais en fixe à chaque membre de son personnel. Aussi établit-elle, en collaboration avec son personnel et à la lumière des objectifs de l'entreprise, des programmes de perfectionnement personnel et des objectifs individuels qui permettent d'évaluer les progrès et le rendement. Afin de bien mettre en pratique le programme d'établissement des objectifs et d'examen des résultats, les cadres et le personnel spécialisé ont, en 1974, suivi un cours de formation. Les représentants et les commercialistes ont participé cette année à un nouveau programme de formation en techniques commerciales supérieures.

L'inflation a, cette année, posé des problèmes inhabituels au niveau des salaires et des traitements. Onze des trente-trois conventions collectives de la Compagnie et de ses filiales ont expiré en 1974 et toutes, sauf deux, ont été renouvelées avant la fin de l'année. A Beloeil, il y a eu grève à l'usine d'explosifs et de produits chimiques agricoles du 9 septembre au 28 novembre, date à laquelle il y a eu entente. Bien que la renégociation des vingt-deux autres conventions collectives n'ait pas été prévue pour 1974, la Compagnie a offert, dans tous les cas, soit un réajustement des salaires, soit un avancement de la date d'entrée en vigueur des

Administrateurs

augmentations de salaire prévues dans les filiales compaient 9 176 employés, soit une diminution de 2% par rapport à 1973.

Nous avons le profond regret d'annoncer le décès de M. Leonard Hynes, survenu le 1er mars 1975. M. Hynes était entré au service de la Compagnie en 1933 à sa sortie de l'université et avait occupé différents postes au sein de la Compagnie. En 1962, il était élu président de la CIL et devait occuper ce poste jusqu'en 1971, date à laquelle il était élu président du conseil d'administration, dont il faisait partie depuis 1954.

M. Hynes a joué un rôle important au sein de la CIL et a acquis une grande réputation au sein de la société et de l'industrie des produits chimiques ainsi que dans le monde des affaires tant international que national. Ses sages conseils et les qualités de chef dont il a fait preuve au cours de sa carrière, consacrée à la CIL et au Canada, manqueront à tous.

La Compagnie doit aussi annoncer le départ de l'Honorable Hartland deM. Molson qui ne sollicitera pas le renouvellement de son mandat d'administrateur lors de l'assemblée générale annuelle en avril 1975. Le sénateur Molson occupe le poste d'administrateur de la CIL depuis 1954. Il avait été élu en 1952 au conseil d'administration de la compagnie qui a donné naissance à la CIL. Pendant 23 ans, le sénateur



Peintures

Développement immobilier

Au cours de 1974, le taux de croissance de Canadian Freehold Properties Ltd., une filiale de la CIL chargée d'administrer des intérêts immobiliers, est demeuré à la hausse. Six immeubles situés respectivement à Toronto, Victoria et Vancouver sont terminés ou le seront sous peu. Les accords conclus pour le financement de ces projets sont avantageux et il y a lieu de croire que les fonds engendrés par la compagnie seront des plus intéressants.

Une grève dans le secteur de la construction, la forte augmentation du coût des matériaux et des taux d'intérêts sont à l'origine du ralentissement dans certaines régions de la Colombie-Britannique. Cette situation a fait qu'il a fallu surseoir à la Construction d'un complexe immobilier comprenant un hôtel et des appartements à Victoria. Toutefois, la construction d'un immeuble d'habitation collective se poursuit dans cette ville comme prévu.

Deux projets d'envergure comprenant l'aménagement d'un parc industriel dans la région sud-est d'Edmonton et la construction d'un immeuble de 19 étages, idéalement situé dans le centre de Vancouver, ont été approuvés par les autorités municipales.

Burnside Development Company Limited, une compagnie immobilière d'Halifax dont Canadian Freehold Properties Ltd. détient 50% des actions, a érigé trois entrepôts et mis en chantier un immeuble à bureaux de 9 étages situé dans le quartier des affaires d'Halifax. Tous les immeubles terminés de Burnside qui jouissent d'un financement à long-terme satisfaisant sont loués et procurent des revenus intéressants.

Les ventes de peintures ont accusé cette année une hausse sensible par rapport à 1973 dans tous les secteurs du marché. Cependant, les marges bénéficiaires ont beaucoup souffert de ce que l'augmentation des prix de revient, notamment au niveau des matières premières, n'ait pu se répercuter assez vite sur les prix de vente. La pénurie de matières premières, surtout des produits dérivés du pétrole et du gaz naturel, a ralenti la production. Mais, à la fin de l'année, l'équilibre entre la production et la demande était rétabli.

La filiale de la CIL à la Jamaïque a connu les mêmes difficultés d'approvisionnement. Son rythme de production s'en est trouvé ralenti, mais grâce à une augmentation de ses prix, elle a réussi à accroître son chiffre de ventes et sa marge bénéficiaire.

Plastiques

La pénurie mondiale de résine de polyéthylène s'est poursuivie pendant assez longtemps en 1974. Les importations, qui fournissaient l'habitude en résine jusqu'à 25% du marché canadien, n'étaient plus disponibles. Il a donc fallu répartir la résine entre les utilisateurs canadiens. Au cours de l'exercice, la Compagnie a suppléé à la production de son usine d'Edmonton en se procurant des produits de revente aux Etats-Unis, en Europe et au Japon. A la fin de l'exercice, elle avait réussi à accroître la quantité de résine distribuée à ses clients habituels. Les prix de vente de la résine et de la pellicule ont continué de se redresser après avoir subi un fléchissement dû à une longue période de surproduction, mais il a fallu les augmenter encore pour compenser les effets de la hausse rapide des prix de revient. La revente d'un volume considérable de résine importée et les prix élevés expliquent la forte augmentation du chiffre de ventes de la résine et de la pellicule en 1974.

La CIL a, tout au long de 1974, poursuivi l'étude approfondie d'un projet de construction, en Alberta, d'une importante usine de polyéthylène qui fera partie d'un complexe pétrochimique à vocation internationale. L'Alberta Gas Trunk Line Company Limited, la CIL et plusieurs autres sociétés participent à l'aménagement de ce complexe.



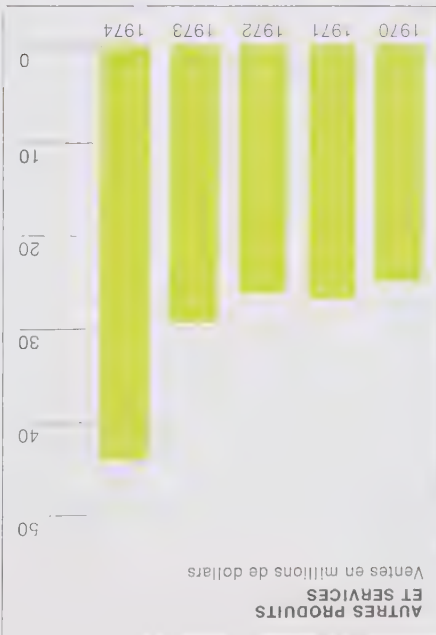
1 L'usine de plastiques de la CIL de Brampton, en Ontario, a installé récemment une chaîne de production sur laquelle circulent des rouleaux de pellicule qui serviront à la fabrication de sacs industriels à valve et à pils. Ces sacs servent au conditionnement des engrais CIL. Cette nouvelle chaîne de production est la première d'une série qui sera installée en vue d'augmenter la capacité de production de l'usine.

2 En 1974, la Division des peintures CIL a mis sur le marché la collection de tapisseries "Vymura" qui remporte à l'heure actuelle beaucoup de succès. Il s'agit de revêtements muraux en vinyle enroulés fabriqués en Angleterre par Imperial Chemical Industries Limited, société mère de la CIL.

3 Canadian Freehold Properties Ltd., société de placements qui est une filiale de la CIL, s'occupe de la construction du complexe immobilier illustré ci-dessous. À la fin des travaux, la Compagnie disposera de deux immeubles à bureaux avec stationnement intérieur étagé. Ces immeubles seront situés dans un beau quartier de banlieue, près de la principale voie d'accès qui relie les villes de Vancouver et de New Westminster, en Colombie-Britannique.

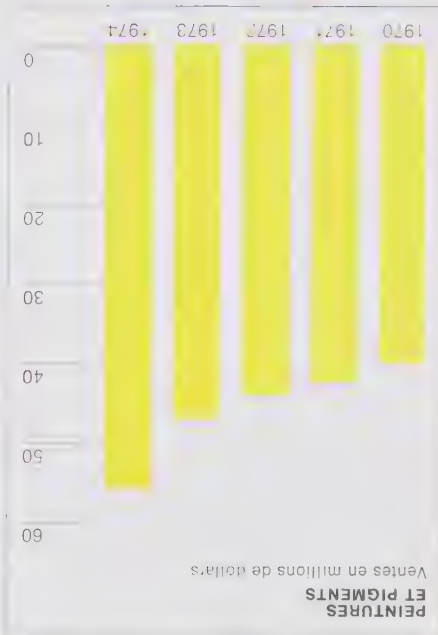
AUTRES PRODUITS
ET SERVICES

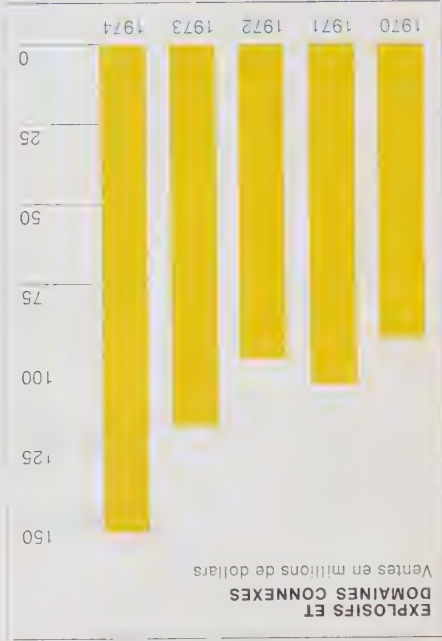
Ventes en millions de dollars



PEINTURES
ET PIGMENTS

Ventes en millions de dollars





- 1 En 1974, West African Explosives and Chemicals Limited, une filiale de la CIL, a offert deux hippopotames nains au Toronto Metro Zoo. Ces charmantes bêtes, qui pèsent environ 350 lb à l'âge adulte, appartiennent à une espèce en voie de disparition que l'on ne retrouve plus que dans les lointaines contrées du Libéria.
- 2 De concert avec des entreprises de pointe du secteur de la prospection sismique, la CIL a mis au point une nouvelle méthode de tir pour la prospection du pétrole et du gaz naturel dans l'Arctique. Connue sous le nom de méthode "Aqualix" de tir sous-marin vertical sous la glace, cette découverte permet aux équipes sismiques de faire des levées de plus de 10 milles par jour et ce, même dans l'Arctique où les conditions d'exploration sont des plus difficiles.
- 3 Des ouvriers ont tiré des cartouches à plomb de calibre 8 pour usage industriel dans un tour extrêmement chaud d'une usine exploitée par Refractor Division Dresser Industries Canada, Ltd., à Klimar, au Québec. Les cartouches peuvent projeter trois onces de plomb et sont couramment utilisées pour briser les scories qui peuvent se former dans les fours. Cette compagnie, cliente de la CIL, est l'un des chefs de file dans l'industrie mondiale de la fabrication de brique réfractaire pour fours et journaux.
- 4 La CIL s'est efforcée encore cette année d'améliorer la sécurité au cours des opérations de sautage. À cet effet, le "Nonei" s'est avéré des plus utiles. Il s'agit d'une amorce non électrique qui permet l'initiation de la déflagration. Cette photographie a été prise immédiatement après l'amorçage. Le "Nonei", dont la CIL est le fabricant et le vendeur au Canada, convient à tous les types d'explosifs et est insensible aux courants vagabonds.

Explosifs

A cause du rendement soutenu de tous les secteurs du marché canadien des explosifs, il y a eu une augmentation substantielle des ventes par rapport à 1973. Cette augmentation s'est aussi manifestée au niveau des exportations des explosifs industriels et de leurs accessoires.

Au cours du dernier exercice, la mise en marché des nouveaux explosifs en bouillie CIL, pour trous de mine de petit diamètre, a remporté le succès commercial escompté et nous agrandissons nos installations de production d'explosifs afin de pouvoir répondre à la forte demande. En Alberta, dans la région de Calgary, la Compagnie a mis en chantier une usine de nitrate d'ammonium, dont la mise en exploitation est prévue pour 1977. Cette usine doit répondre aux besoins grandissants de l'industrie minière de l'ouest du Canada et du nord-ouest des États-Unis.

En 1974, la Compagnie a, aux termes d'une entente conclue avec Nitro Nobel A.B. de Suède, obtenu l'autorisation de fabriquer au Canada des amorces non électriques "None!" et de les commercialiser au Canada et à l'étranger. Ces amorces font actuellement l'objet de nombreuses expériences sur le terrain. Elles éliminent les risques de tirs prématurés et conviennent à tous les types d'explosifs. Afin d'améliorer l'efficacité, la sécurité et les conditions de travail, l'industrie minière, tant au Canada qu'à l'étranger, abandonne peu à peu l'énergie pneumatique au profit de l'énergie électrique. Les amorces non électriques "None!" conviennent parfaitement à ces mines "électrifiées" et leur usage ne peut que se généraliser.

Cette année, il a fallu augmenter les prix de vente de tous nos produits pour compenser la hausse constante du prix des matières premières. En plus des problèmes d'exploitation créés par une inflation croissante et des difficultés d'approvisionnement de certaines matières premières, le secteur des explosifs a connu une grève de six semaines dans sa principale usine, celle de Beloeil au Québec. Les ventes de West African Explosives and Chemicals Limited, une filiale qui fabrique des explosifs industriels au Libéria, ont dépassé largement celles de 1973. Continental Explosives Limited, distributeur d'explosifs et de produits connexes CIL en Colombie-Britannique, Ventex d'Explosifs (1970) Ltée, distributeur des mêmes produits au Québec, ont eu un chiffre de ventes supérieur à celui de 1973.

Services à l'industrie minière

Les ventes d'équipement minier souterrain de Jarvis Clark Company Limited ont été relativement plus élevées en 1974 qu'en 1973, reflétant une activité accrue dans les secteurs miniers desservis. Cette compagnie travaille actuellement à la mise au point d'équipement nouveau et amélioré et au déploiement de la gamme de ses produits.

La relance de l'industrie minière n'a cependant pas touché le secteur de la prospection. Un climat impropre à la prospection prévaut au Canada et ce genre d'activité ne s'est pas avéré rentable au cours des dernières années. C'est pourquoi, à la fin de 1974, après avoir mûrement réfléchi à la question, la CIL a mis fin à sa participation aux travaux de prospection géophysique du groupe McPhar.

Munitions et armes de sport

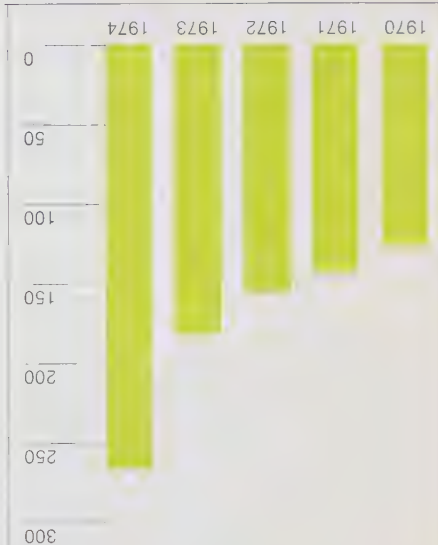
Les ventes d'armes de sport et de munitions sont légèrement supérieures à celles de 1973 à cause de l'augmentation des prix de vente et du volume national. Cependant, les coûts de production, particulièrement le prix d'achat des métaux, n'ont pas suivi le rythme de l'augmentation des prix de vente et de l'amélioration du rendement de l'exploitation.

En 1974, la Compagnie a décidé de se retirer du marché Américain et de fermer l'usine de munitions de Plattsburgh, New York.





PRODUITS CHIMIQUES
AGRICILES ET INDUSTRIELS
Ventes en millions de dollars



Trimac Limited, se charge de la cueillette et de l'élimination de déchets solides et liquides d'industries et de municipalités un peu partout au Canada. Parce qu'elle est bien organisée en ce sens, Tricil s'occupe de plus en plus de la récupération et du recyclage en vue de produire de l'énergie et des matières utilisables. Dans ce domaine nouveau, l'avenir semble des plus prometteurs.

Grâce à la participation qu'elle a acquise dans Eco-Recherches Limitée et Les Laboratoires Bio-Recherches Limitée, la CIL travaille respectivement à l'étude des effets de certains polluants sur le milieu et à l'évaluation des effets de différentes matières sur diverses formes de vie.

- 1 Tout comme le fermier qui a sa disposition une vaste gamme d'engrais, de produits connexes et de services techniques, l'amateur de jardinage se voit offrir une variété complète de produits pour pelouses et jardins et peut demander conseil à la Division des produits chimiques agricoles de la CIL.
- 2 La mise en service de la nouvelle usine de chlorocalcis de Bécancour, au Québec, constituée au coût de \$40 millions, est prévue pour le milieu de 1975. Cette usine alimentera le marché promoteur de la soude caustique et du chlore de l'est du Canada.
- 3 Les Produits chimiques Chipman Limitée, filiale en toute propriété de la CIL, ont inauguré le nouveau siège administratif et les nouvelles installations d'entreposage de leur usine de Sault Ste. Marie, en Ontario.
- 4 Un refroidisseur d'acide sulfurique en acier inoxydable de 15 tonnes est chargé à bord d'un avion noyé à destination d'Abadan, en Iran. Cet envoi urgent fait suite à une demande pressante de la compagnie Shapur Chemical dont l'usine d'acide était menacée de fermeture en raison de nombreuses détériorations de leurs unités de refroidissement en fonte. Chemetics International Ltd., filiale de la CIL, s'occupe de la commercialisation de ces refroidisseurs dans le monde entier.

Produits chimiques agricoles

La vigueur de l'économie agricole a permis que se poursuive la croissance rapide de la demande d'engrais qui avait débuté en 1973. Conséquemment, les ventes se sont accrues fortement par rapport à l'exercice précédent. Il a fallu, pour satisfaire aux besoins des clients, augmenter le rendement de toutes les installations de production et de distribution d'engrais, de la Compagnie. La principale usine d'engrais, près de Sarnia, a produit plus d'ammoniaque que prévu. La montée en flèche du coût des matières premières, surtout celui du gaz naturel, du phosphate de roche et de la potasse, a entraîné une augmentation des prix de vente, même si les prix canadiens étaient, en général, inférieurs à ceux des États-Unis.

On augmente, de façon modérée, la capacité de production de l'usine de Sarnia afin de satisfaire à l'accroissement de la demande que l'on peut déjà prévoir.

Le marché des herbicides et pesticides des Produits chimiques Chipman Limited était également ferme. Les ventes ont, en effet, largement dépassé celles de 1973 à cause de l'augmentation du volume et des prix de vente. L'accroissement de ces derniers reflète le coût plus élevé des matières premières et des produits achetés pour la revente. En plus d'accroître la superficie d'entreposage de son usine située près d'Hamilton, Chipman a construit un nouveau siège administratif.

Produits chimiques industriels

Les ventes de produits chimiques industriels ont considérablement augmenté par rapport à 1973. Cette amélioration s'explique par une forte demande de produits de la part de l'industrie des pâtes et papiers ainsi que des mines et des engrais, et par la vitalité générale des autres marchés industriels. Depuis quelques années déjà, les usines de produits chimiques de la Compagnie fonctionnent à plein rendement ou presque, aussi est-ce à la revente de produits chimiques que l'on doit l'augmentation du volume des ventes. Les matières premières n'ont pas fait défaut mais, dans bien des cas, l'augmentation considérable des prix de revient a dû être répercutée au niveau des prix de vente.

L'ouverture de la grande usine de chlorocalcis de Bécancour, au Québec, aura lieu au milieu de 1975, soit six mois plus tard que prévu en raison des conflits ouvriers dans le secteur de la construction. L'exploitation de cette usine consolidera la position déjà avantageuse de la Compagnie sur le marché promoteur de la soude caustique et du chlore dans l'est du Canada. Au cours de l'année, les installations de diverses usines ont été réunies à l'usine de Cornwall, qui s'occupe du conditionnement de produits chimiques liquides et gazeux. A la fin de l'année, la capacité de production d'acide sulfurique a été accrue à Copper Cliff.

Les ventes de Chemetics International Ltd. ont plus que doublé par rapport à 1973. La forte hausse des ventes de réfrigérants d'acide sulfurique et de procédés de réfrigération de la Compagnie pour la fabrication des pâtes et papiers confirme l'accueil favorable que leur réserve le marché international. En Yougoslavie, les travaux de construction des cinq usines de produits chimiques ont progressé de façon satisfaisante. Chemetics vient de conclure de nouveaux contrats pour la construction d'usines similaires en Turquie et au Brésil.

Canadian Hanson Limited et Alchem Limited ont connu un accroissement appréciable de leurs ventes, ce qui, dans le cas de Canadian Hanson, englobe des exportations considérables. Au cours de l'année, Canadian Hanson a acquis une participation dans Volstic of

Canada Limited, compagnie de conception et d'installation de systèmes de poudrage électrostatique, ce qui constitue un complément logique à la gamme des produits que Canadian Hanson offre déjà dans le secteur de la finition des métaux. Alchem Limited a agrandi les installations et la superficie d'entreposage de son usine de Burlington, en Ontario. En 1974, les ventes d'Inland Chemicals Ltd., compagnie qui produit de l'acide sulfurique dans l'Ouest canadien et que la CIL a acquise à la fin de 1973, ont dépassé les prédictions.

Les ventes de Cornwall Chemicals Limited, compagnie associée administrée par la CIL, ont dépassé de beaucoup celles de 1973, tous ses produits ayant connu une demande accrue sur les marchés intérieur et extérieur.

Amélioration de la qualité de l'environnement

En 1974, les activités de la CIL dans ce domaine relativement nouveau ont fait des progrès fort encourageants. Tricil Waste Management Limited, filiale détenue en copropriété avec



- Légende**
- sièges sociaux
 - laboratoires techniques et de recherche
 - centres de vente et de services techniques
 - entrepôts
 - usines
 - filiales

Colombie-Britannique

Abbotsford ●
 Ashcroft ●
 Brenda ●
 Coquitlam ●
 Cranbrook ●
 Endako ●
 Fording ●
 James Island ●
 Kamloops ●
 Kelowna ●
 Kelsey Bay ●
 Ladner ●
 Ladysmith ●
 Nanaimo ●
 Nelson ●
 New Westminster ●
 Penticon ●
 Port Hardy ●
 Port McNeill ●
 Prince George ●
 Stewart ●
 Surrey ●
 Tappen ●
 Terrace ●
 Texada Island ●
 Vancouver ●
 Vanderhoop ●
 Victoria ●

Alberta

Calgary ●
 Clover Bay ●
 Edmonton ●
 Fort Saskatchewan ●
 Red Deer ●
 Saskatoon ●
 Swift Current ●
 Regina ●
 Leamington ●
 London ●
 Marmora ●
 Mississauga ●
 Mitchell ●
 Mount Bridges ●
 Niagara Falls ●
 Niagara-on-the-Lake ●
 North Bay ●
 Norwich ●
 Oakville ●
 Orlia ●
 Ottawa ●
 Petrolia ●
 Port Stanley ●
 Sarnia ●
 Scotland ●
 Shelburne ●
 Simcoe ●
 Smithville ●
 St. Catharines ●
 St. John's ●
 St. Thomas de Joliette ●
 St. Pierre ●
 St. Hyacinthe ●
 St. Eustache ●
 St. Hilaire ●
 St. Michel ●
 Murdockville ●
 Mt. Wright ●
 Nicolet ●
 St-Eustache ●
 St-Hilaire ●
 St-Michel ●
 St-Pierre ●
 St-Thomas de Joliette ●
 Sept-Îles ●
 Shawinigan ●
 Theford ●
 Theford Mines ●
 Trois-Rivières ●
 Tracy ●
 Val d'Or ●
 Valleyfield ●
 Victoriaville ●
 Ville Mercier ●
 Timmins ●
 Toronto ●
 Tupperville ●
 Windsor ●
 Beccanacour ●
 Bedford ●
 Beloeil ●
 Brownsburg ●

Québec

Beccanacour ●
 Bedford ●
 Beloeil ●
 Brownsburg ●

Nouveau-Brunswick

Woodstock ●
 Moncton ●
 Grand Falls ●
 Fredericton ●
 Bathurst ●
 Miramichi ●

États-Unis

Waterloo (New York) ●
 Tucson (Arizona) ●
 Detroit (Michigan) ●

Jamaïque

Kingston ●

Népal

Népal ●

Libéria

Libéria ●

Argentine

Argentine ●

Yukon

Yukon ●

Labrador

Labrador ●

Terre-Neuve

Terre-Neuve ●

Île-du-Prince-Édouard

Île-du-Prince-Édouard ●

Nouvelle-Écosse

Nouvelle-Écosse ●

Halifax

Halifax ●

Kentville

Kentville ●

Tyng

Tyng ●

Truro

Truro ●

Winnipeg

Winnipeg ●

Summerside

Summerside ●

O'Leary

O'Leary ●

Montague

Montague ●

Charlottetown

Charlottetown ●

La Fliche

La Fliche ●

Lachne

Lachne ●

Laval des Rapides

Laval des Rapides ●

Hull

Hull ●

Farnham

Farnham ●

Franklin Centre

Franklin Centre ●

Buckingham

Buckingham ●

St-Eustache

St-Eustache ●

St-Hilaire

St-Hilaire ●

St-Michel

St-Michel ●

St-Pierre

St-Pierre ●

St-Thomas de Joliette

St-Thomas de Joliette ●

Sept-Îles

Sept-Îles ●

Shawinigan

Shawinigan ●

au Québec, n'aura lieu qu'au milieu de 1975, soit six mois plus tard que prévu en raison des conflits ouvriers dans le secteur de la construction, conflits qui ont aussi fortement fait croître les coûts. Le secteur de la construction au Québec connaît de graves problèmes qui, s'ils ne sont pas résolus, risquent de compromettre la croissance de l'économie québécoise.

Le progrès constant qu'enregistre le dossier sécurité de la CIL depuis quelques années s'est poursuivi en 1974 et il n'y eu que 15 accidents avec perte d'heures de travail, soit le taux le plus bas jamais atteint au cours d'une année civile. Cette réussite est le fruit des efforts conjugués de tous les salariés et est d'autant plus louable qu'elle a été obtenue malgré la situation difficile créée dans plusieurs usines de la Compagnie par la nécessité d'une production maximale. La CIL a toujours accordé la plus grande importance à la sécurité au travail et l'élimination complète des accidents du travail demeure un objectif primordial. Nous nous inquiétons de la hausse, en 1974, du taux de fréquence des accidents en dehors du lieu de travail. La Compagnie et l'ensemble du personnel doivent donc unir leurs efforts pour remédier à cette situation.

La situation relativement favorable du Canada en matière d'hydrocarbures et d'énergie électrique semble offrir à l'industrie chimique canadienne des possibilités d'investissement concurrentiel à l'échelle internationale. En 1974, le climat économique qui régnait dans ce secteur, était particulièrement instable et rendait difficile la prise de décisions en matière d'investissements. Certaines de ces incertitudes provenaient de situations internationales face auxquelles le Canada est plus ou moins impuissant. D'autres, par contre, découlaient de facteurs politiques et économiques nationaux. On s'insistera jamais assez sur l'importance d'un climat de planification plus stable si l'on veut s'assurer les importants capitaux nécessaires pour profiter de ces possibilités d'investissement.

La CIL accorde une attention soutenue à l'utilisation de ses ressources afin de profiter des possibilités d'investissements importants qui s'offrent à elle. C'est ainsi qu'à la fin de 1974, on a décidé de construire près de Calgary, en Alberta, une vaste usine qui produira du nitrure d'ammonium de type explosif et alimentera les marchés à croissance rapide de l'ouest du Canada et du nord-ouest des Etats-Unis. De plus, la CIL participe, au sein d'un groupe de compagnies, à l'élaboration de projets

relatifs à un vaste complexe pétrochimique en Alberta; la Compagnie étudie la possibilité d'y construire une usine de polyéthylène de portée internationale. Bien que la plupart des marchés alimentés par la CIL connaissent une croissance économique soutenue, il est probable que l'exercice 1975 sera une année de défi, puisque les grands secteurs de l'économie auront à affronter de graves problèmes. Nous n'envisageons pas moins l'année qui débute avec confiance. Le personnel de la CIL a joué un rôle prépondérant dans la réussite de l'exercice 1974; ses efforts sont grandement appréciés et nous comptons sur lui pour faire de 1975 un succès.

Pour le Conseil d'administration

Le président

E. L. Hamillon

E. L. Hamillon

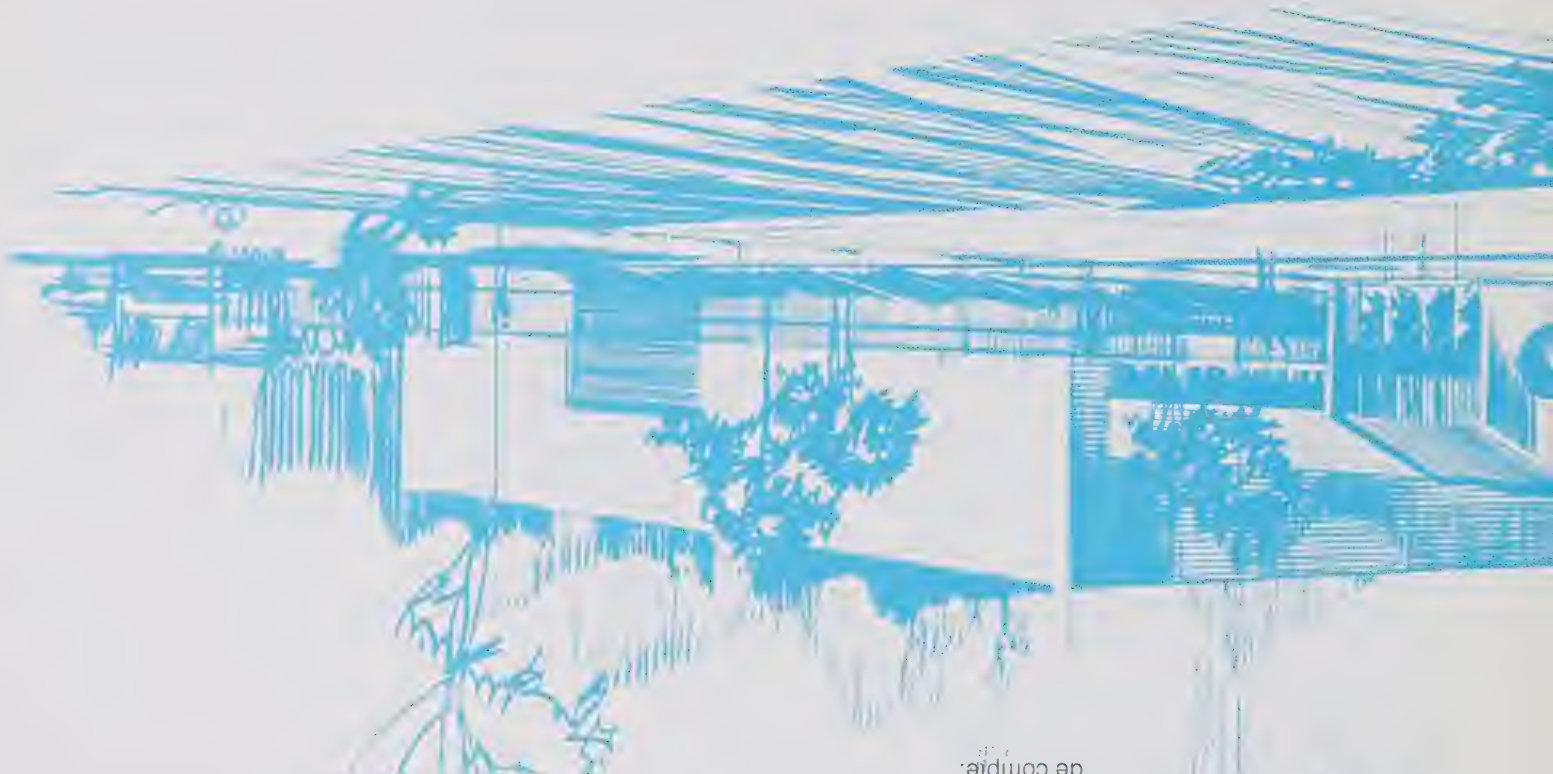
Montréal, Québec, le 20 mars 1975

façon de mesurer les effets de l'inflation sur les résultats financiers de l'entreprise, mais il importe d'en reconnaître toute la portée. S'il fallait rétablir les comptes de la Compagnie en prenant en considération le pouvoir d'achat réel du dollar en 1974, le bénéfice par action passerait de \$3,54 à \$2,10, l'avoir des détenteurs d'actions ordinaires de \$173,7 à \$207,8 millions et le rendement de cet avoir de 20% à 10%.

L'inflation a en outre eu pour effet une augmentation massive de l'encaisse nécessaire pour absorber la valeur accrue des comptes à recevoir et des stocks, augmentation suscitée par l'accroissement du volume des ventes et les prix inflationnistes des matières premières. Au total, ces besoins ont excédé les capitaux engendrés par les bénéfices pendant l'exercice. L'impôt sur le revenu est toujours calculé d'après la valeur initiale, ce qui épuise d'avantage les ressources financières disponibles pour le maintien du niveau actuel des affaires de la Compagnie. Concurrément, le taux élevé d'inflation qui frappe les marchés de capitaux restreint la disponibilité de fonds pour les investissements à long terme, rendant ainsi coûteux et risqué le financement de l'expansion industrielle. La section "Finances" explique plus en détail comment l'inflation entre en ligne de compte.

Nous avons réussi à accroître l'efficacité et la productivité dans tous les secteurs d'activité de la Compagnie. Ces améliorations ont, en partie, permis de contrebalancer la hausse des coûts et d'obtenir d'heureux résultats au cours de l'exercice. Le taux d'inflation des prix de revient nous a cependant obligés à augmenter les prix de vente. En 1974, le prix des matières premières achetées par la Compagnie s'est accru en moyenne de 36%. A titre d'exemple, le prix du phosphate de roche, une matière première essentielle dans la fabrication des engrais, a subi une hausse de 600% entre la fin de 1973 et le début de 1975. Quant au mazout, son prix a augmenté de quelque 160% depuis la fin de 1973. En 1974, par suite des pressions inflationnistes très fortes, la Compagnie a dû accorder pendant l'exercice des augmentations de salaire supérieures à la normale, qui se sont traduites par une hausse considérable du coût de la main-d'œuvre.

Les dépenses en immobilisations ont plus que doublé par rapport à celles de 1973 et se chiffrent pour l'exercice 1974 à \$57,6 millions, somme qui comprend les \$9,0 millions de Canadian Freehold Properties Ltd. Ces dépenses ont nettement dépassé les prévisions et leur augmentation est attribuable à la hausse du prix des matériaux et du coût de la main-d'œuvre. L'ouverture de l'usine de chlorocalcis de Bécancour,



Ce plan représente le siège administratif de l'usine CIL qui est présentement en construction près de Calgary, en Alberta. Cette nouvelle usine de nitrates d'ammonium permettra de répondre aux besoins croissants de l'industrie Etats-Unis.

Aux actionnaires

Les ventes consolidées et le bénéfice net ont été en 1974 beaucoup plus élevés qu'au cours des exercices précédents. Les ventes consolidées se sont chiffrées à \$517,6 millions, ce qui représente une hausse de 35% par rapport à 1973. Le bénéfice net se chiffre à \$34,8 millions, soit \$3,54 par action ordinaire, comparativement à \$16 millions ou \$1,61 par action en 1973. Les dividendes pour 1974 s'élèvent à \$1,15 par action ordinaire, ce qui comprend quatre dividendes trimestriels de 25 cents et un dividende spécial de 15 cents par action. Les dividendes de l'exercice précédent étaient de 85 cents par action.

Les traits dominants de cet exercice ont été le très haut degré d'inflation, le problème de l'énergie et la forte augmentation qui s'en est suivie dans les prix de bon nombre de matières premières. Personne ne semble d'accord sur la meilleure

Ces résultats illustrent bien la forte demande de produits et services de la CIL tout au long de l'exercice 1974. L'accroissement des ventes et des bénéfices s'est surtout manifesté dans



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Trésorier adjoint
C. McLaughlin

**Agent d'enregistrement, de transfert
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Inscriptions à la Bourse
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**Agent d'enregistrement et
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Vérificateurs
Touche Ross & Cie

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Lithographie au Canada
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Dépôt légal — deuxième trimestre 1975
Bibliothèque Nationale du Québec
CIL House
630 ouest, boulevard Dorchester
Montréal, Québec
H3C 2R3

Ventes
(en millions de dollars)
% des ventes totales

Produits chimiques agricoles et industriels	1974	185.5	51
Explosifs et domaines connexes	1974	121.2	29
Peintures et pigments	1974	46.9	11
Autres produits et services	1974	29.7	9
	1973		8

Ventes par secteur d'activité

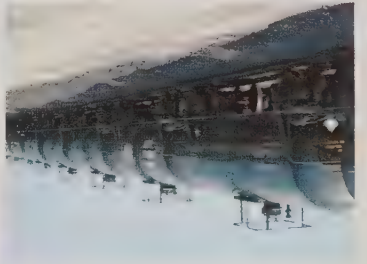
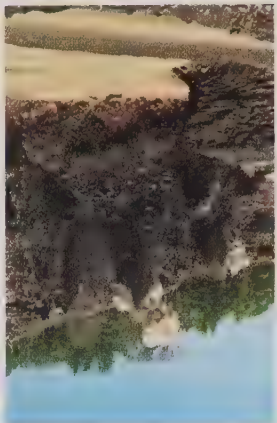
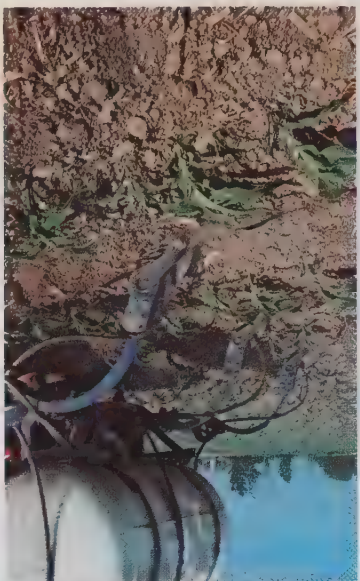
Ventes	\$517 586 000	560	567
Bénéfice avant provision pour impôts	66 205 000		
Bénéfice net sans les postes extraordinaires	34 842 000		
Postes extraordinaires — Gain net	20 000		
Fonds de roulement au 31 décembre	116 588 000		107 259 000
Dépenses en immobilisations (y compris dépenses pour l'acquisition de nouvelles filiales et compagnies associées)	57 593 000		26 134 000
Actions ordinaires en circulation au 31 décembre	9 794 161		9 794 161
Bénéfice par action ordinaire sans les postes extraordinaires	\$3.54		\$1.61
Dividendes par action ordinaire	\$1.15		\$0.85
Nombre d'actionnaires au 31 décembre	5411		5964
Actions privilégiées	560		567

Points saillants des états financiers consolidés

1974
1973



Canadian Industries Limited



CIL Profile

fil
Canadian
Industries
Ltd.

AR08



Contents

1	Introduction
2	CIL and subsidiary locations
4	Industrial Chemicals
6	Agricultural Chemicals
7	Ammunition
8	Explosives
10	Plastics
12	Paints
13	Environmental Improvement Business Area
14	Subsidiary and associated companies
21	International connections
22	Principal markets
24	Research
25	Pollution abatement
26	CIL Art Collection
27	Sales and technical service offices



Legal deposit — third quarter 1974
Quebec National Library

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Today, more than ever, our prosperity depends on three simple things — the goodness of the soil, the great stands of timber that straddle the land, the vast wealth that lies beneath its surface.

Canadian Industries Limited offers the tools to seek out, unlock and transform these resources — chemicals and their allied products, equipment, technology, service.

Together with its subsidiaries, CIL serves a full range of industries from mining, agriculture, construction and manufacturing to sports shops, dry cleaners, retail hardwares and garden centres.

Most of the company's 8,500 employees are scattered across Canada; others are in Britain, the U.S.A., Australia, Europe, Liberia and Jamaica. Many are located at manufacturing plants, at work with millions of dollars worth of machinery and equipment. Others are in laboratories, researching and developing new and better technology and products. Some are in departmental offices, supplying support services, planning, training and developing human resources. And then there are those on the road, selling the tools — chemicals, paints, plastics, explosives; marketing the technology; providing technical advice and service.

In 1973, the efforts of these individuals resulted in sales of more than \$383 million.

CIL recognizes that its primary concern must be to provide its shareholders with a satisfactory return on their investment. But as a leading corporate citizen, CIL accepts its social responsibilities as well. For example, the technology which the company developed to follow the stringent pollution abatement policy it established some time ago is now marketed to industrial and municipal customers who share CIL's concern for environmental improvement.

Thus CIL and its people accept a double responsibility: to work towards the betterment of the quality of life, and to play a major role, as they have for the past 112 years, in the economic development of the country.

British Columbia

Abbotsford ■
 Ashcroft ●
 Brenda ●
 Coquitlam ■
 Cranbrook ■
 Endako ●
 Fording ●
 James Island ●
 Kamloops △
 Kelowna ■
 Kelsey Bay ■
 Ladner ■
 Ladysmith ■
 Nanaimo ●
 Nelson △
 New Westminster ■
 Penticton ■
 Port Hardy ●
 Port McNeil ■
 Prince George △
 Stewart ■
 Surrey ■
 Tappen ■
 Terrace ●
 Texada Island ■
 Vancouver △□
 Vanderhoof ■
 Victoria ■

Alberta

Calgary △●
 Clover Bar ●
 Edmonton △●●□
 Fort Saskatchewan ■
 Lethbridge ■
 Red Deer ■

Saskatchewan

Moose Jaw ■
 Prince Albert ■
 Regina △
 Saskatoon ■
 Swift Current ■

Manitoba

Brainerd ●
 Brandon ■
 Thompson △●■
 Pipe Lake ●
 Winnipeg △□■

Ontario

Alliston ■
 Beamsville ■
 Belleville ■
 Belmont ■
 Brampton ◇●■
 Bridgeport ■
 Bruce Lake ●
 Brussels ●
 Burlington ■
 Carlisle ●
 Chatham △●■
 Clinton ■
 Collingwood ●
 Concord ●
 Copper Cliff ●
 Cornwall ●■
 Courtright ●
 Essex ●
 Etobicoke ■
 Glencoe ■
 Hamilton ■
 Hensall ■
 Ingersoll △●■
 Kemptville ●
 Kingsville ■
 Kingston ■
 Kirkland Lake △
 Kitchener ■
 Leamington ■
 London △
 Marmora ●
 Mississauga ■
 Mitchell ■
 Mount Bridges ■
 Niagara Falls △
 Niagara-on-the-Lake ■
 Nobel ●
 North Bay ■
 Norwich ●
 Oakville ■
 Orillia ■
 Ottawa △
 Petrolia ●
 Port Stanley ■
 Sarnia ■

Scotland

Shelburne ■
 Simcoe ■
 Smithville ■
 Stayner ■
 St. Catharines ■
 Streetsville ■
 Sudbury △●■
 Tara ●
 Temagami ●
 Thamesville ●
 Thunder Bay △
 Tillsonburg ■
 Timmins △●■
 Toronto ◇△□□●●■
 Tupperville ●
 Windsorville ■
 Windsor ■

Quebec

Bécancour ●
 Bedford ■
 Beloeil ●■
 Brownsburg ●
 Buckingham ■
 Farnham ■
 Franklin Centre ■
 Hull ■
 Laval des Rapides ■
 Lachine △□
 La Flèche ■
 Lennoxville ●
 McMasterville △◇◇●●■
 Moisie ●
 Montréal ○△□●●■
 Murdochville ●
 Mt. Wright ●
 Nicolet ■
 St. Eustache ■
 St. Hilaire ■
 St. Hyacinthe ●■
 St. Pie ●
 St. Rémi de Napierville ■
 St. Thomas de Joliette ■
 Ste. Foy △
 Sept-Îles △●
 Shawinigan ●
 Thetford ●
 Thetford Mines △●
 Trois-Rivières ■
 Tracy □
 Val D'Or △
 Valleyfield ●
 Victoriaville ●
 Ville Mercier ■

New Brunswick

Bathurst ■
 Dalhousie ●
 Fredericton △
 Grand Falls ●■
 Hartland ●■
 Moncton ■
 Woodstock ■

Nova Scotia

Halifax △□■
 Kentville ■
 Truro ●■

Prince Edward Island

Charlottetown ■
 Montague ■
 O'Leary ●
 Summerside ●■
 Traveller's Rest ●
 Winsloe ■

Newfoundland and Labrador

Baie Verte ●
 Carol Lake ●
 Grand Falls △
 Labrador City ●
 St. John's △
 Wabush ●

Yukon

Faro ●

Africa

Liberia ■

Australia

Adelaide ■
 Perth ■
 Sydney ■

Brazil

Rio de Janeiro ■

Ireland

Navan ■

Jamaica

Kingston ■

Mexico

Tijuana ■

Philippines

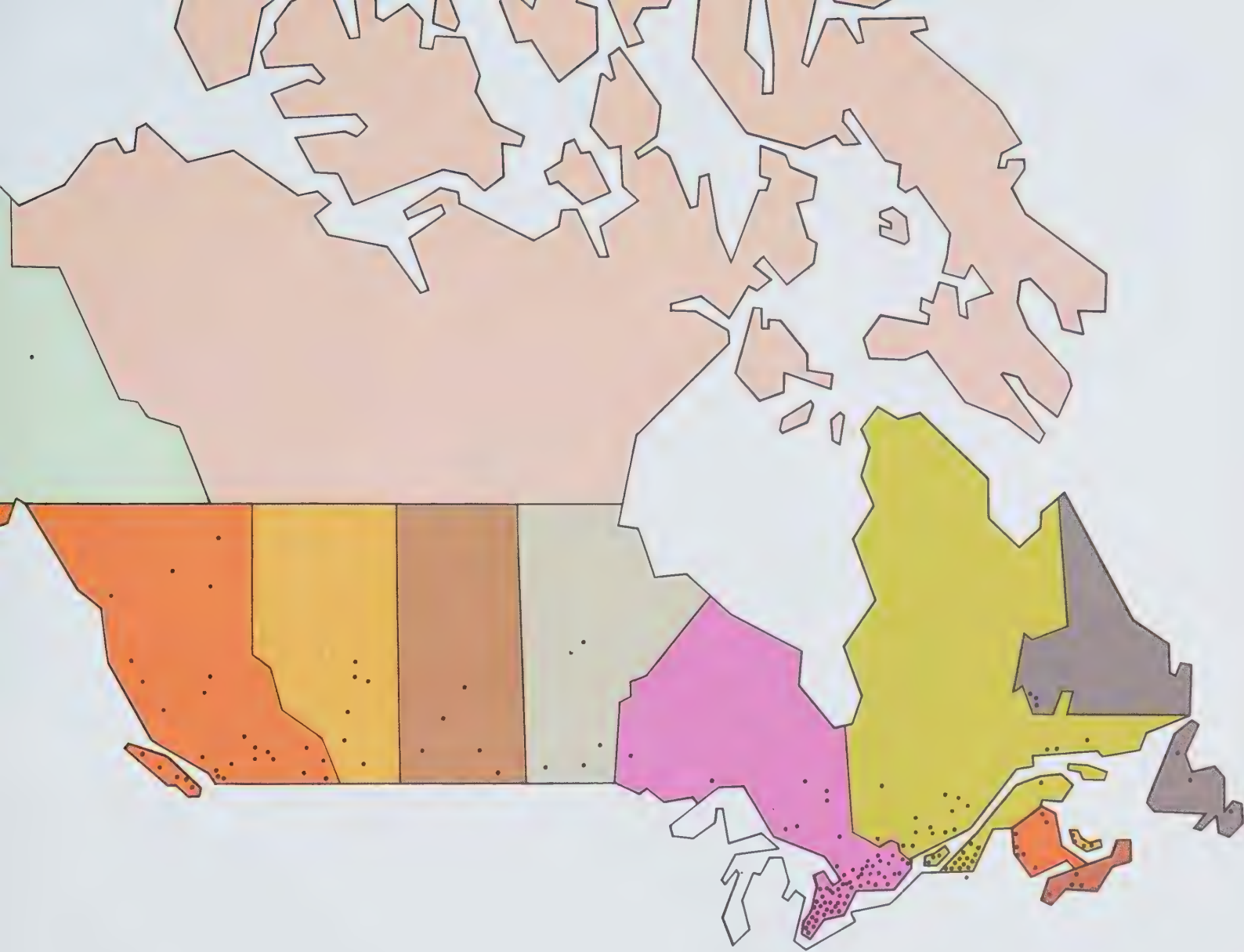
Manila ■

United States

Plattsburgh, N.Y. ●■
 Watertown, N.Y. ■
 Tucson, Arizona ■

Legend

○ head office
 ◇ research and technical laboratories
 △ sales and technical centres
 □ warehouses
 ● plant sites
 ■ subsidiary locations



Industrial Chemicals

CIL's Industrial Chemicals Division serves a large number of primary and secondary industries across Canada.

Its most important products are chlorine, used primarily in the pulp and paper industry, municipal drinking water treatment, sewage treatment and industrial pollution control; caustic soda, which has application in the pulp and paper industry and in the manufacture of detergents, cleaning compounds and chemicals; and sulphuric acid which finds its major outlet in the production of fertilizer but is also essential in mining and metal refining, gasoline production and a variety of other industries.

Chlorine and caustic soda are produced at three chloralkali plants located in eastern Canada at Dalhousie, N.B., Shawinigan, Que., and Cornwall, Ont. These chemicals and a related product, sodium chlorate, are produced by Canso Chemicals Limited in Abercrombie, N.S. Another associate company of CIL, Tidal Chemicals Limited, produces only sodium chlorate at Saint John, N.B.

Late in 1972 the Division announced construction of another chloralkali plant in Bécancour, Que., with completion scheduled for the spring of 1975. When in full operation, the plant will produce 140,000 tons of chlorine, 165,000 tons of caustic soda and 4,000 tons of hydrogen per year making it the largest of CIL's chloralkali operations. When announced, the \$30 million project represented CIL's largest new investment since 1967. It incorporates the latest method technology and pollution abatement features.

The Division's Copper Cliff, Ont. works, established in 1930 to produce sulphuric acid, is being expanded. The \$4 million project will increase production capacity, already the largest in Canada, by 150,000 tons to almost one million tons annually. In addition to three acid plants, the site also includes the world's largest sulphur dioxide plant.

With the recent acquisition of Inland Chemicals Ltd. which operates sulphuric acid and aluminum sulphate plants at Fort Saskatchewan, Alta., and Prince George, B.C., the Division now has a significant manufacturing base and an enhanced distribution network for these and related products in Western Canada.

In 1973, the Division applied its innovative abilities to construction of a plant for the manufacture of copper sulphate in the Yukon Territory to supply the requirements of an adjacent mining operation.

Liquid xanthates, another Industrial Chemicals Division family of products, were developed by CIL research to replace dry xanthates traditionally used in the ore processing industry. Xanthates are produced at three locations — Copper Cliff, Ont., Thompson, Man., and Edmonton, Alta.

Since the Division's main products are inorganic chemicals which are comparatively low priced at their point of origin, transportation costs are an important element in determining customer product cost. In order to keep these to a minimum, the Division has developed efficient economical transportation methods. CIL pioneered the unit-train concept by which single products like sulphuric acid

are transported in trains of tank cars directly from the plant to central depots for immediate transfer to large storage facilities. Unit trains now comprise as many as 56 tank cars of a particular chemical.

Scheduled chlorine delivery service is another innovative distribution method developed by the Division: cylinders of chlorine are delivered by trucks operating on a regular schedule in much the same way as that used to supply heating oil to homes, ensuring an efficient interchange of empty and filled containers.

The largest chlorine containers weigh 3400 pounds (gross) when filled, and travel on specially-designed flatbed trucks called chlorinemobiles. These trucks are equipped with their own cranes for easy loading and unloading of the giant cylinders.

Research is carried out by the Division at the CIL Chemicals Research Laboratory located in McMasterville, near Montreal, Que. CRL also provides specialized laboratory services to the company's other operating Divisions.

The Industrial Chemicals Division is responsible for a number of services and products in addition to those it manufactures. The Division's ICI Products Group

distributes some of Imperial Chemical Industries Limited's products including dyestuffs used in the production of textiles and paper, and other chemicals used in the manufacture of rubber, plastics and urethane foam.

Not only products and services but also skills and technology are marketed by the Division through a subsidiary company, Chemetics International Ltd., which sells plants, processes and pollution abatement technology and equipment in Canada and abroad. More detail on these activities is given in the section on CIL's Subsidiary and Associated Companies.



Agricultural Chemicals

CIL has supplied Eastern Canada and the Northern U.S.A. with agricultural chemicals for more than 60 years.

The Agricultural Chemicals Division manufactures a wide range of liquid and dry fertilizer products for farmers and an advanced line of lawn and garden supplies for the home gardener.

Head office of the Division is located in London, Ont., the centre of its marketing area and close to its major manufacturing facilities at Courtright, near Sarnia, Ont. Another plant is located in McMasterville, Que., near Montreal.

At the Sarnia site, which is known as Lambton Works, is one of Canada's largest anhydrous ammonia plants as well as a series of ancillary fertilizer production units. A recently announced

\$500,000 expansion program involving the complex's ammonium nitrate plant has increased production of this product to approximately 150,000 tons annually.

The Division produces fertilizer components including anhydrous ammonia, urea, nitrogen solutions, ammonium nitrate, ammonium phosphates and compound fertilizers. These are sold in bulk, are packaged, or are custom blended at farm service centres to meet the particular needs of individual customers. Some 50 farm service centres are located throughout eastern Canada and are commonly called Agromart® centres in Ontario and the Maritimes and Agrocentre® centres in Quebec.

The Division's diversified lawn and garden product line as well as its farm fertilizers are backed up by an extensive service program. Agromart® locations provide technical advice such as soil testing services as well as a number of non-fertilizer supplies to the agricultural industry. John Bradshaw and Paul Pouliot, well-known gardening authorities, in conjunction with the Division's retail distributors, supply advice to the home gardener about CIL's complete lawn and garden product line.

Complementing the Division's operations and services are those of a wholly-owned subsidiary company, Chipman Chemicals Limited, whose herbicides, pesticides and fungicides are sold across Canada. The activities, growth and expansion of this company are described in the section Subsidiary and Associated Companies.



Ammunition



The head office and major manufacturing facilities of CIL's Ammunition Division, the principal manufacturer and supplier of sporting ammunition in Canada, are located in Brownsburg, Que.

Besides producing a complete range of shotshells and centre fire and rim fire ammunition, the Division manufactures such related products as detonators, initiating explosives, railway track signals and safety flares for road and general use.

Sporting arms, manufactured for CIL to the company's specifications by fire-arm makers in Western Europe, Brazil and the U.S. complete the Division's product line.

Ammunition and sporting arms are marketed across Canada through five Canadian sales offices. The U.S.A. is supplied by a wholly-owned manufacturing and distribution subsidiary, C-I-L Ammunition Inc., located near Plattsburgh, N.Y. Export markets for the Division's products include such countries as the United Kingdom, New Zealand and Australia, and several Western Europe and South American countries for which C-I-L International, located in Kingston, Jamaica, serves as distributor.

The great bulk of sales are for recreation hunting and shooting and the Division encourages an interest in shotgun, rifle and pistol target shooting through proficiency awards.

A continuous technical research effort also carried out at Brownsburg, Que. has ensured top quality products for the Canadian sportsman for more than 80 years.

Explosives

For over a century CIL and its predecessor companies have been involved in virtually every major construction operation in Canada — from the building of the transcontinental railway systems during the late 1800's to current ongoing projects such as the looping of the Trans-Canada Gas Pipeline and the Mont Wright iron ore project. Today CIL explosives, distributed through a subsidiary company, C-I-L International Limited, are also being used in projects outside of Canada, such as the \$140 million Chivor hydro-electric project in Colombia, South America.

The Explosives Division has five major manufacturing facilities at James Island, B.C., Calgary, Alta., Nobel, Ont., Valleyfield and McMasterville, Que. In addition to producing all types of commercial explosives, these sites supply raw materials to a growing number of on-site satellite plants which manufacture blasting agents at major consuming points, resulting in lower costs and improved service to customers through bulk delivery systems. At the present time, 23 plants of this type are located on, or adjacent to, customer mining sites across the country, from Faro in the Yukon to Labrador City, Labrador.

An extensive sales and technical service organization with 25 offices and 15 magazines advises buyers of commercial explosives and blasting accessories on up-to-date techniques and equipment. In addition the Division publishes a wide range of informative literature including the "Blaster's Handbook" which is found on the shelves of explosives users throughout the world.

The Division's intensive research program carried out at the Explosives Research Laboratory in McMasterville, Que. has contributed much to the development of modern explosives.

In 1958, CIL introduced the first ammonium nitrate-based "slurry" explosive sensitized by TNT, which offered excellent water resistance, and was more sensitive than previous non water-resistant ammonium nitrate-based products. However this explosive was still not sensitive enough for underground applications and most construction work.

In 1971, CIL research developed and began to market a new family of aluminum-sensitized slurry explosives. The "safe" explosives are insensitive to initiation by rifle bullet, less toxic and safer for transportation, storage and handling than conventional dynamite-based alternatives and are sensitive enough for any application, including underground mining and construction work.

Another major breakthrough in explosives process technology was made in 1973 when CIL discovered a new type of

organic sensitizer, This sensitizer has certain production advantages over the aluminum one and will be supplied to the Division's manufacturing facilities from a plant now under construction on the McMasterville Works site.

Complementing the Division's products are those of a subsidiary company, Canadian Safety Fuse Company Limited

which makes safety fuse, detonating cords and other blasting accessories. Another subsidiary company, West African Explosives and Chemicals Limited manufactures products similar to those of the Division for use in large open pit mines in West Africa. The operations of these companies, and of Continental Explosives Limited, Jarvis Clark Company Limited

and McPhar Geophysics Limited, other subsidiaries whose services relate to the explosives business, are fully described in the section Subsidiary and Associated Companies.

Photo at left was taken at quarry site where millions of pounds of CIL explosives are being used in the \$140 million Chivor hydro-electric project in Columbia, South America.



Plastics

CIL's Plastics Division sells its products from coast to coast across Canada, maintaining a strong marketing research and technical team.

Manufacturing facilities at Edmonton, Alta. and Brampton, Ont. supply polyethylene resin and film for industrial, agricultural and construction purposes. The Edmonton plant, although operating at capacity level, cannot meet the current demand for polyethylene resin and the company is actively considering plans for a major resin expansion in Alberta. Meanwhile a concerted effort is being made to secure additional quantities of resin to augment the production at Edmonton.

The Edmonton plant was Canada's first producer of polyethylene resin when it opened in 1953. It now produces more than 65 million pounds of polyethylene resin per year and in this fully integrated operation, part of the resin production is converted into industrial film products. The site has the largest capacity extrusion line in Canada, and manufactures film up to 40 feet wide.

Brampton, Ont. in addition to being a film production site, is the home of the Plastics Technical Centre which provides technical service to customers and develops new processes and products.

Resins are supplied by CIL to other plastics processors for the manufacture of film and converted products including paper coatings, cable insulation, and molded consumer products such as toys, housewares and food containers. A number of unique grades of polyethylene have been developed for trans-Atlantic and other telephone cable applications, and for pipe-line transmission of Western Canadian natural gas.

CIL supplies the construction industry with polyethylene film for a variety of purposes from vapour insulators and underlays in road construction and pavement to dropsheets for painting and even shelters on winter construction sites. Film is also used in the agricultural field as haystack covers, crop covers, silo liners and caps, pond and trench liners and greenhouse construction material.

The Plastics Division also markets its film complete with packaging equipment. Shrink bundling of consumer goods eliminates bulky cardboard packages, and large loads of packaged goods are efficiently handled and protected during transport when pallets are wrapped in polyethylene film.

A recent packaging innovation resulting from the Division's research was the development of heavy duty polyethylene shipping sacks. These Milpac® multi-ply valve bags combine strength — enough to package such products as cement, fertilizer and salt — with weather protection.

In addition to its own products, the Plastics Division markets a number of resale items from Imperial Chemicals Industries Limited. These include Perspex® acrylic sheet which is used mainly in the fabrication of signs; Diakon® acrylic molding resins used to make automobile headlights, and Propafilm® polypropylene food packaging film.



Paints

CIL Paints Division provides a diversified product line for the individual consumer, for decorators and architects and also for automotive, industrial and refinish customers. Together with its subsidiary, Bapco Paint Ltd., the Division has the largest and most complete paints operations in Canada.

Besides the various paints and finishes sold in approximately 900 colors under the CIL and B-H labels in retail outlets across Canada, the Division and Bapco sell products for such manufactured goods as household appliances, ships, farm equipment, furniture, automobiles, metal containers, and even flexible packaging. These products range from cleaners, strippers, putties, and primers to varnishes, sealers, stains, paints and inks.

Brandram-Henderson (West Indies) Limited, a CIL subsidiary with headquarters in Kingston, Jamaica, supplies a similar product range to Caribbean markets.

Canadian manufacturing facilities consist of Vaughan Centre, a decorative paints plant near Toronto which came on stream in late 1970; York Works, also located in Toronto which manufactures automotive, refinish and industrial products, and has facilities for packaging some of the Division's products in convenient aerosol form; and Montreal, headquarters of the Division's Quebec operations, which manufactures decorative paints products. Bapco Paint Ltd., a subsidiary company providing Western Canada with a complete range of paints products sold under the Bapco and Stephens labels, has recently transferred its facilities from Victoria, B.C. to a new \$1.7 million con-

solidated plant and warehouse located in Surrey County near Vancouver, B.C. This new centre has ensured CIL of continued leadership in serving the western Canadian paints market.

Product testing and technical assistance to customers is supplied at each of the Division's manufacturing sites, and CIL retail outlets are equipped to provide decorating assistance to the consumer. An extensive research program is carried out at the Paints Research Laboratory located adjacent to the York Works site in Toronto.

Besides paint coatings of all types, CIL Paints Division markets Vymura® vinyl wallcoverings from Imperial Chemical Industries Limited, and ancillary products such as plastic wood, brush cleaners, household cement, and paint and varnish remover.



Environmental Improvement Business Area

Over a period of many years of dealing with its own pollution problems (see page 25), CIL has developed considerable expertise and technology in the environmental field and, in 1972, the company decided that this capability was marketable. In order to provide a broad and comprehensive environmental improvement service, it also acquired an interest in a number of companies, each of which is engaged in a specific area of expertise complementary to that of CIL and its existing subsidiaries.

The CIL Environmental Improvement Business Area (EIBA) was then organized as a development and coordination group responsible for the company's interests in this field. In addition to CIL's own skills, these interests include the activities of Tricil Waste Management Limited and Eco-Research Ltd. Chemetics International Ltd., although not directly part of EIBA, provides a strong back up to EIBA units especially for large pro-

jects. (For particular anti-pollution expertise of these companies, see the section on Subsidiary and Associated Companies.)

EIBA also strengthened its interests in the municipal environment engineering field through its association with J.D. Lee Engineering Limited, a consulting firm with offices in Kingston and Brantford, Ont.

In addition, EIBA markets Flocor[®], a biological filtration system which was developed by the research of Imperial Chemical Industries Limited, CIL's parent company.

Considerable progress has been made in developing CIL's competence to meet the growing challenges of the environmental improvement field since EIBA was established two years ago, and through it, CIL's capabilities in this field will be further extended and strengthened in the future.

Eco-Research Ltd.: studying the toxic effects of waste water on marine life.



Subsidiary and Associated Companies

In addition to CIL's six operating Divisions and many service departments, there are a number of subsidiary and associated companies which contribute significantly to the total capability of the CIL family. Some of these are long-established ancillary companies, such as Canadian Safety Fuse Company Limited and Alchem Limited, many of whose operations complement the regular business of the various Divisions. Others represent newer ventures broadening the company's scope into other industrial fields. Examples of the latter are McPhar Geophysics Limited and Tricil Waste Management Limited.

Principal subsidiary and associated companies are the following:

Chemetics International Ltd.

Vancouver, British Columbia

Chemetics International Ltd. a wholly-owned subsidiary of CIL, serving primarily the pulp and paper and chemical industries, was formed in 1967 by the amalgamation of three companies — Chemech Engineering Ltd., Chemetics Limited and Chemech Pollution Abatement Systems Ltd. Based in Vancouver, B.C., Chemetics operates in four major areas:

- Chemical plants and services — Chemetics provides electro-chemical plants to produce chloralkali, sodium chlorate, and chlorine dioxide for pulp and paper bleaching. Services include feasibility studies, engineering and design, detailed engineering, construction, equipment supply, plant start-up, operator training and plant management.

McPhar Geophysics Limited: demonstrating McPhar equipment to geophysicist in India.

Chemetics International Ltd.: sod-turning ceremony near Sarejevo, Yugoslavia marking the beginning of construction of a \$40 million chemical complex to be built by Yugoslavia and Chemetics International Ltd.



- Chemical processing equipment — The company markets, builds and installs an important new type of heat exchanger, developed by CIL, for use in the manufacture of sulphuric acid. These stainless steel tube and shell coolers have been sold around the world in recent years. Extensive further research has resulted in the introduction of stainless steel air coolers also which are now beginning to have an equally important impact for certain chemical industry applications.
- Oxygen bleaching systems — Chemetics has exclusive rights in North America for the sale of unique oxygen bleaching processes developed jointly for the pulp and paper industry by CIL

and Mo och Domsjö AB of Sweden. The company will construct an entire bleach plant, as it did for the Chesapeake Corporation, West Point, Virginia, or it will modify existing plants to incorporate an oxygen stage.

- Pollution abatement services — Utilizing the extensive research facilities and technology of CIL and of Imperial Chemical Industries, CIL's parent company, Chemetics supplies professional services to the pulp and paper industry covering all aspects of air and water improvement.

McPhar Geophysics Limited

Don Mills, Ontario

McPhar Geophysics is an international firm offering a wide range of mineral exploration services to the mining industry and to governments. CIL acquired McPhar as a subsidiary in 1970.

McPhar's approach to mineral resource identification and development is multi-disciplined, involving geophysical, geochemical and geological techniques. In addition to being a major consultant and contractor in airborne and ground geophysics activity, McPhar manufactures exploration equipment and provides for its customers a complete personnel training program in the operation of the geophysical equipment.



From its offices in Toronto, Ont.; Vancouver, B.C.; Tucson, Arizona; Tijuana, Mexico; Adelaide, Perth and Sydney, Australia; Rio de Janeiro, Brazil; and Manila, Philippines, McPhar provides services on all continents. Head office of the company is located in Don Mills, Ont.

Tricil Waste Management Limited

Etobicoke, Ontario

This company was formed in late 1973 through the merger of CIL's subsidiary, the Goodfellow Group of Companies and Dominion Waste Management Group Limited, a subsidiary of Trimac Limited of Calgary.

Tricil offers a total systems approach to the collection, transportation and disposal of solid and liquid wastes from municipal, commercial, institutional and industrial sources. It also provides a capability for the recovery and recycling of values from both solid and liquid wastes.

Solid waste collection and disposal is carried out at Ottawa, Kingston, Belleville and St. Catharines, Ont., Edmonton and Calgary, Alta., and Regina, Sask., and also at Watertown, N.Y., U.S.A. Liquid waste disposal plants are located at Sarnia and Mississauga, Ont. and Ville Mercier, near Montreal, Que.

Eco-Research Ltd.

Pointe Claire, Quebec

CIL acquired a half interest in this company in 1972 to augment its pollution abatement service to industry.

Eco-Research provides a multi-disciplined testing and consulting service for environmental quality assessment. These services include on-site monitoring of air and water effluents, physical, chemical, biological and microbiological analyses, and studies of the effects of industrial effluents on the environment. Research studies into the life sciences and biological surveys are also undertaken by the company.

Eco-Research has its head office in Pointe Claire, Que. and another sales office in Downsview, Ont.

Canso Chemicals Limited

Abercrombie Point, Nova Scotia

Jointly owned by CIL subsidiary Chemetics International Ltd., by Scott Maritimes Pulp Company and by Nova Scotia Forest Products Limited, Canso Chemicals produces chlorine, caustic soda and sodium chlorate for the pulp and paper industry. The company was formed in 1968 and its plant at Abercrombie Point, N.S., went into production in 1970.

Tidal Chemicals Limited

Saint John, New Brunswick

This associated company, jointly owned by Chemetics International Ltd., a CIL subsidiary and by Irving Pulp and Paper Company Limited, produces sodium, chlorate for the pulp and paper industry. Its plant, in Saint John, N.B., has been in production since early 1971.

Cornwall Chemicals Limited

Montreal, Quebec

This associated company, owned jointly with Stauffer Chemical Company, is managed and operated by CIL.

Adjacent to CIL's industrial chemicals plant at Cornwall, Ont., the company produces carbon disulphide, carbon tetrachloride and sodium hydrosulphide which are sold as raw materials for the manufacture of rayon, pesticides, xanthates, aerosols and refrigerants. They are also used in metallurgical separation processes, and in wood pulping.

In 1973 Cornwall Chemicals opened a sulphur grinding plant on the site of CIL's explosives works, at Calgary, Alta. This plant grinds sulphur extracted from Alberta natural gas into various grades for use in the rubber, plastics and explosives industries in Canada and for export markets throughout the world.

Head office of Cornwall Chemicals Limited is located in Montreal.

Inland Chemicals Limited

Fort Saskatchewan, Alberta

Acquired by CIL in late 1973, Inland manufactures sulphuric acid and aluminum sulphate at plants located in Fort Saskatchewan, Alta. and Prince George, B.C. The acquisition of Inland provides the Industrial Chemicals Division with western-based production facilities and an improved distribution network.

Inland Chemicals' products are used in the four principal industries of Western Canada: pulp and paper; fertilizer; mining and gas processing.

Alchem Chemicals Limited

Burlington, Ontario

Alchem Limited, which became a CIL subsidiary in 1936, provides problem-solving chemicals to a wide range of major resource industries.

Along with consulting, surveillance and analytical services, the company manufactures and distributes some four hundred products for industrial and municipal uses in water treatment, water management and pollution control, petroleum production and refining, pulp and paper manufacture, mining, iron and steel industries, ion exchange resins and combustion chemicals to improve fuel utilization.

The company operates plants at Burlington, Ont., and Edmonton, Alta., and has district offices and representatives in 20 cities across Canada. Head office is located in Burlington, Ont.

Agromart® / Agrocentre®

In 1968, CIL's Agricultural Chemicals Division introduced a then unique marketing program. The company established a chain of farm input and service centres known in Quebec as Agrocentre® and in the rest of Eastern Canada as Agromart® farm service centres.

Agromart® / Agrocentre® service centres carry a varied range of products for the farmer — from barn paint, polyethylene film for greenhouses and twine to animal feeds, pesticides and custom-blended fertilizers. In addition,

they supply technical advice to farmers as well as other services, such as soil testing.

Across Quebec and the Maritimes, there is now a network of 51 farm service centres: 23 are wholly-owned by CIL, others are joint ventures with local operators, and some are franchises.

Chipman Chemicals Limited

Stoney Creek, Ontario

Chipman Chemicals has been associated with CIL since 1955, and became a wholly-owned subsidiary in 1964. Its products complement those of CIL's Agricultural Chemicals Division and are sold from coast to coast across Canada.

In 1973, Chipman relocated its main manufacturing facilities from Hamilton, Ont., to a new \$1.2 million plant in Stoney Creek, Saltfleet Township, near Hamilton, Ont.

At the new site is one of the largest multi-product pesticide plants in Canada where insecticides, fungicides and seed treatments are formulated in both liquid and powder form. Two laboratories service the plant — one for product evaluation and development, another for quality control. In addition, Chipman has plants at Buckingham, Que., and Moose Jaw, Sask., where herbicides are manufactured.

Chipman's expertise in the pesticide field has pioneered the development and introduction of a wide variety of pesti-

cides and has brought many advances in pesticide and herbicide technology to Canadian agriculture and industry.

In addition to supplying its products in quantity for use by the agricultural industry, Chipman has a line of garden products for the homeowner.

Jarvis Clark Company Limited

North Bay, Ontario

This subsidiary company, acquired by CIL in 1970, is Canada's leading supplier of underground mobile equipment for the mining and construction industries.



Jarvis Clark Company Limited: Jarvis Clark paramatic Jumbo being prepared to drill in a nickel mine in Sudbury, Ont.

Jarvis Clark's head office is located at North Bay, Ont., as are its manufacturing facilities which were recently expanded at a cost of \$1 million. The company has warehouses in Sudbury and Timmins, Ont.; Thompson, Man.; Vancouver, B.C.; Bathurst, N.B.; and Navan, Ireland.

In addition to manufacturing dump trucks, personnel carriers, drill jumbos and designing, building and testing other specialized mining equipment, the company is exclusive distributor in Canada for the major product lines of other mining equipment manufacturers.

Jarvis Clark also maintains complete overhaul and repair facilities for its equipment and supplies technical service to its customers.

Canadian Freehold Properties Ltd.

Vancouver, British Columbia

This subsidiary was initially established by CIL in 1969 to develop the company's surplus land holdings and was formerly known as C-I-L Properties Ltd. The company now acts across the country from Halifax to Victoria as a fully functioning real estate development firm.

The company concentrates on the development of commercial properties in prime locations and is currently involved in developing offices and warehouses at Halifax, N.S. and Moncton, N.B.; a shopping centre in Shawinigan, Que.; industrial estates near Hamilton, Ont. and in Edmonton, Alta.; offices, warehouses, high density housing and a large housing subdivision in Vancouver, B.C.; and a major hotel-apartment complex in Victoria, B.C.

In 1973, Chemetics House was built by Canadian Freehold Properties in a central Vancouver location for occupation by Chemetics International Ltd. During 1974, CIL will establish its Ontario headquarters in a new office building in Toronto and its Atlantic sales office and distribution centre in new facilities at Halifax. Both projects are also developments of Canadian Freehold Properties.



Canadian Freehold Properties Ltd.: architect's sketch of the nine story office building which will house CIL's Toronto offices in early 1975.

Canadian Hanson Limited

Etobicoke, Ontario

Canada's leading supplier to the metal finishing industries across the country, this company produces a complete line of electroplating supplies and equipment at its plant in Etobicoke, Ont. In 1973, the company expanded its product lines through the purchase of the Buffing Compound Division of M & T Products of Canada Limited.

In the field of pollution abatement, it offers equipment and services for the treatment of wastes resulting from electroplating and other metal finishing and fabricating operations.

The company also manufactures foundry facings and sells these, along with resale foundry supplies and equipment to casting industries.

The construction industry is served by the company through a line of building products oriented towards the saving of energy and the replacement of traditional building materials by new technology.

For the industrial market, the company manufactures a line of wire wheels, brushes and specialty transformers.

Recently, Canadian Hanson diversified its interests further by becoming a distributor for Volstatic electrostatic powder coating spray equipment.

Engineering, technical advice and research are supplied to Canadian Hanson's customers from the company's head office in Etobicoke, Ont. Sales offices are located in 11 cities across Canada.

Bapco Paint Ltd.

Multi-Chem Products Limited

Stephens Paints

Surrey, British Columbia

These subsidiary companies have recently relocated to a new \$1.7 million plant and distribution centre in Surrey, B.C. near Vancouver. Operations at the former Victoria, B.C. site were phased out during 1973 and this property is now being redeveloped by another CIL subsidiary, Canadian Freehold Properties Ltd.

Bapco and Stephens provide Western Canada with a complete line of retail paints, varnishes and enamels, and in addition manufacture marine paints, specialized industrial finishes and anti-corrosive coatings. Multi-Chem Products sell polyester resins, gelcoats and color pastes for the marine and industrial trades.

Color advisory and technical services are available at all branch locations and 22 decorative idea centres cater to retail customers and the painter / contractor trade across Western Canada.

Brandram-Henderson (West Indies) Limited

Kingston, Jamaica

CIL purchased Brandram Henderson Limited in 1960 and since that time B-H's Canadian operations have merged with those of CIL's paints division. In 1960, what is now called Brandram-Henderson (West Indies) Limited was only a warehousing and distribution centre for B-H paints, produced in Canada. Now a wholly-owned subsidiary headquartered in Kingston, Jamaica, the company manufactures a wide range of industrial and decorative paints products and distributes them to markets throughout the Caribbean.

Continental Explosives Limited

Vancouver, British Columbia

Continental Explosives Limited is a wholly-owned subsidiary which distributes explosives and accessories manufactured or handled by CIL.

From eight branch locations in Western Canada, CEL supplies commercial explosives, mining instrumentation, drilling supplies and other accessories to the logging, construction and mining industry locations scattered throughout the coastal and north central areas of B.C.

CEL's complete delivery system includes a fleet of 22 trucks, which service the firm's 75 odd permanent and mobile explosives magazines, and one ship which transports loads of explosives from CIL's James Island plant to magazine depots at Ladysmith, Blubber Bay, Port McNeill, Terrace, Stewart and Kelsey Bay.

C-I-L Ammunition Inc.

Plattsburgh, N.Y.

This subsidiary company has operated an assembly plant for CIL sporting ammunition in Plattsburgh, N.Y. since 1966. It distributes these products to markets throughout the United States.

Canadian Safety Fuse Company Limited

Brownsburg, Quebec

Plants at Brownsburg, Que., and at Tapscott, B.C., manufacture and supply the mining and construction industries across Canada with detonating cord, safety fuse and blasting accessories.

***West African Explosives
and Chemicals Limited***

Harbel, Liberia

This subsidiary company which started production at its Harbel, Liberia site in 1964, produces slurry explosives and blasting agents which are used in open pit iron ore mines in Liberia, Mauritania and other West African countries. In addition, the company manufactures sporting ammunition for the West African market.

West African Explosives and Chemicals also stocks a full range of nitroglycerine-based explosives and blasting accessories.

In 1973, CIL increased the shareholding by Liberian citizens in West African Explosives and Chemicals to 40%.

C-I-L International Limited

Kingston, Jamaica

This subsidiary company was established in 1962 in Kingston, Jamaica, to intensify CIL's business in export marketing.

The company serves a wide territory which includes South America, Central America, the Caribbean, Europe, Africa and Australasia.

The greatest volume of goods is shipped to countries in South America, Central America and Africa.

Explosives and ammunition products top the sales list and purchasers range from large mining operations to small shop-owners.

Canadian Industries Limited is an associate of Imperial Chemical Industries Limited of Britain which holds a majority of CIL's shares. Relations between the two companies date back to 1899 when Nobel's Explosives Limited, of Glasgow, which became part of ICI in 1926, acquired an interest in the Hamilton Powder Company, CIL's oldest corporate ancestor.

ICI is one of the largest chemical organizations in the world with a great many diverse interests in Britain and abroad. Its world-wide annual sales revenues in 1973 totalled 2,166 million pounds sterling and its businesses include agricultural chemicals, dyestuffs, organic and inorganic chemicals, explosives, paints, wall coverings, pharmaceuticals, plastics, fibres and metals. The company has more than 100 plants in Britain and more than 200 subsidiary and associated companies throughout the world.

ICI and its subsidiaries have 132,000 employees in Britain alone. In other parts of the world there are 67,000, nearly all of them nationals of the countries concerned. There is a considerable interchange of staff, particularly scientific and managerial, between the various parts of this industrial family.

North America is represented in the ICI group of companies by CIL in Canada and ICI United States Inc. in the U.S.A.

ICI United States Inc., formerly ICI America Inc., which expanded in 1972 as a result of a merger with the former Atlas Chemicals Industries Inc., is approximately two thirds the size of CIL in terms of sales. Its principal products are polyester, film, pharmaceuticals, industrial and speciality chemicals and dyestuffs.

An important advantage of CIL's connection with the ICI group of companies is that CIL has full access to ICI's technical knowledge and support in bringing new products and technology to Canada.

Principal Markets

Primary industry

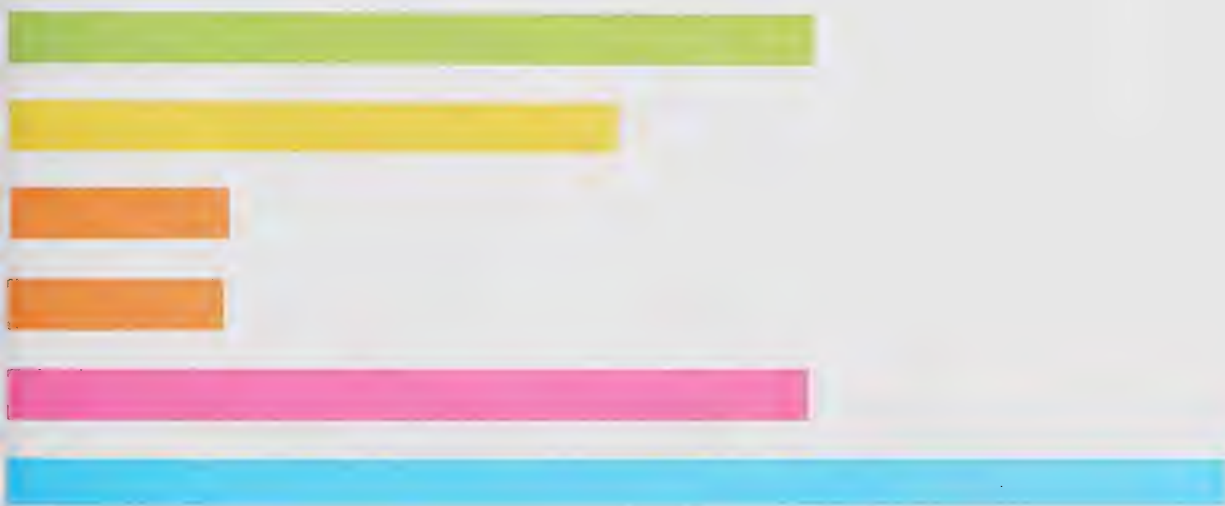
Mining	Explosives, blasting agents and accessories, chemicals, specialized mining equipment
Agriculture	Fertilizers, pesticides, feeds, polyethylene film and shipping sacks
Pulp and paper	Process chemicals such as chlorine and caustic soda, pollution abatement processes and equipment, pulp bleaching processes incorporating oxygen bleaching
Construction	Explosives and blasting agents, paints, polyethylene film, urethane insulation

Secondary industry

Chemicals	Industrial chemicals including ammonia, sulphuric acid, chlorine and caustic soda
Retail hardware and sporting	Sporting arms and ammunition, retail paints, enamels and wood finishes
Metal processing	Plating processes and chemicals, paints, enamels and other finishes, process chemicals
Rubber and plastics	Resins and compounds — polyethylene, polyvinylchloride, polypropylene; industrial film, sheet and tube
Export	
Other (adhesives, aircraft, automotive, drycleaning, electrical, food and beverage, furniture, packaging, petroleum, pharmaceuticals, railway, shipbuilding, soaps and cleaners, textiles)	The products and services of each of CIL's divisions, subsidiaries and associated companies.

1973 sales by industry — millions of dollars

0 \$10 \$20 \$30 \$40 \$50 \$60 \$70 \$80



For a more complete listing, please consult the Products / Services Directory available from CIL's Public Relations Department.

Research

The industrial research capability of Canadian Industries Limited is one of the largest in Canada.

The company's principal general facility is the CIL Chemicals Research Laboratory located in McMasterville, near Montreal, Que. In addition to providing services and developing and supporting the strategies of the Industrial Chemicals Division, its subsidiaries and CIL's Environmental Improvement Business Area, CIL provides research and specialized laboratory services to the company's other divisions and subsidiary companies.

At the CIL Explosives Research Laboratory which is adjacent to CIL, the Explosives Division maintains a continuous program of product development and improvement of existing explosives and methods. The recent discovery of a new type of organic sensitizer for slurry explosives, a major breakthrough in explosives technology, is one outstanding result of the company's explosives research capability.

In addition to these facilities, CIL operates a large paints research laboratory at York, in Toronto; an ammunition development laboratory in Brownsburg, Que.; a plastics technical centre at

Brampton, Ont. and additional polyethylene development facilities at Edmonton, Alta.

Through CIL's membership in the world wide Imperial Chemical Industries Limited family of companies, it also has access to the research facilities of one of the world's greatest chemical organizations.

In recent years, the research effort of CIL has been directed towards the thrust of the company into new business areas. Major emphasis is given to the development of new processes and in the application of the company's technology for industrial customers, especially in the resource industries.

In the mining industry, CIL has developed a low cost process for the manufacture of xanthate chemicals for ore concentration to facilitate on-site production at mines. In the pulp and paper industry, a successful new process for the bleaching of wood pulp with oxygen has been developed by CIL in conjunction with a Swedish company. Recent achievements also include pollution control and abatement processes for pulp mills and for mercury cell chloralkali plants.

Explosives Research Laboratory,
McMasterville, Quebec.



Pollution abatement

CIL has long recognized its responsibilities towards protecting the quality of our environment.

Since 1967, the company exclusive of its subsidiaries, has invested close to \$5.1 million in pollution control measures at its manufacturing locations. This investment has paid for process modification to suppress emissions, adjustment to operating equipment to improve efficiency, and treatment processes to remove pollutants. Overall, CIL is confident that it has identified its problems, solved most of them and, more significantly, that it knows what needs to be done to handle those few that remain.

In new plant construction, CIL has given a great deal of consideration to reducing the possibility of environmental damage by integrating pollution control measures in the original design specifications. An example is CIL's \$40 million chloralkali plant in Bécancour, Que., which promises to be one of the cleanest of its type as a result of new and effective pollution control technology. And with the increasing expansion of many CIL locations, the best practical pollution abatement technology has been incorporated into the expanded facilities.

However, no matter how carefully industrial plants are designed and operated to prevent pollution of the environment, accidents sometimes occur. To guard against this possibility, vigilance is essential at all levels in manufacturing processes. At CIL this entails various technical control and detection devices and also regular and thorough inspections of process equipment carried out by conscientious technically-trained employees. These inspections are designed to reveal not only actual defects but also possible weaknesses that might result in failures.

In addition to mechanical and electronic detection devices, air monitoring stations are established in the vicinity of plants. Where appropriate, the company also carries out statistical analyses of animal life in the beds of bodies of water receiving liquid effluents, using techniques pioneered by CIL. These reveal immediately any changes in numbers or varieties of underwater organisms which would indicate change in their environment that might be the result of pollution.

In general, CIL and its associated companies carry out their operations so as to achieve production objectives without sacrificing acceptable environmental protection. The company's objective in this regard is to meet not only local regulations but also company standards which are no less stringent. Finally, the importance of the contribution of employees to its environmental program is fully recognized by CIL and attention is directed to improving understanding and participation.

CIL Art Collection

The CIL Art Collection was founded in 1962, CIL's centennial year, with the aim of encouraging Canadian artists and making their work better known.

The Collection contains 80 paintings which together reflect the various trends and styles of contemporary Canadian art.

The Collection has been publicly exhibited in more than 85 different towns and cities across the country; small groups of paintings or individual works have

been shown at special exhibitions in the U.S.A., Britain, Europe and the U.S.S.R.

Enquiries concerning the Collection may be addressed to the Curator, CIL Art Collection, Advertising and Public Relations Department.

"Hauling Sheaves" by William Kurelek: one of 80 contemporary Canadian paintings which comprise the widely-travelled CIL Art Collection.



Sales and technical service offices

Following is a partial listing of CIL's major sales and technical service offices. Information on CIL products and services and a complete listing of sales offices may be obtained by referring to the CIL Products / Services Directory available from the Public Relations Department or by contacting any of the offices listed here.

Alberta

Calgary	CIL Central Office 6940 Fisher Rd. S.E. T2H 0W3 (403) 253-8261
Edmonton	CIL Central Office & Warehouse 4605 101st Avenue (P.O. Box 836) T5J 2L4 (403) 465-0221

British Columbia

Vancouver	CIL Principal Office & Warehouse 800 Terminal Avenue V6A 2M8 (604) 685-1411
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Manitoba

Winnipeg	CIL Central Office & Warehouse 1199 St. James Street (P.O. Box 965) R3C 2V5 (204) 775-0321
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Newfoundland

St. John's	CIL Central Office 4th Floor, Philips Place Bldg. Elizabeth Avenue (P.O. Box 9544) A1A 2Y4 (709) 726-9051
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Nova Scotia

Halifax	CIL Central Office & Warehouse* 3599 Commission Street (P.O.Box 548) B3J 2S6 (902) 455-1551
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Ontario

Brampton	CIL Plastics Technical Centre 142 Kennedy Road S. L6W 3G4 (416) 677-4180
London	CIL Agricultural Chemicals Division Head Office 201 Queens Avenue (P.O. Box 5201) N6A 4L6 (519) 672-9220

Sudbury	CIL Sales Office 1151 Lorne Street P3C 4T1 (705) 674-1913	CIL Quebec Paints 6930 Clanranald Avenue H3X 2V1 (514) 735-5471
Toronto	CIL Paints Division Head Office** 130 Bloor Street W. M5S 1P4 (416) 925-9561 CIL Central Office** 130 Bloor Street W. M5S 1P4 (416) 925-9561 Paints Research Laboratory 1331 Castlefield Avenue M6B 1G5 (416) 787-2411	Saskatchewan Regina CIL Industrial Chemicals 1221 Osler Street S4R 1W4 (306) 525-5277 Saskatoon CIL Paints 244 1st Avenue N. S7K 1X1 (306) 242-5372
Quebec		U.S.A. Plattsburgh, N.Y. C-I-L Ammunition Inc. P.O. Box 831 (518) 561-7810
Brownsburg	CIL Ammunition Division Head Office JOV 1A0 (514) 533-4201	Jamaica Kingston C-I-L International Limited (P.O. Box 38) Kingston 10 926-5441 Cable: CANDUSTRY KINGSTON JCA
Lachine	CIL Distribution Centre 3000 Jean Baptiste Deschamps H8T 1E2 (514) 636-9230 CIL Quebec Sales Office 2900 Jean Baptiste Deschamps H8T 1C8 (514) 636-9230	
Montreal	CIL Head Office CIL House 630 Dorchester Boulevard W. (P.O. Box 10) H3C 2R3 (514) 874-3000	* Effective Nov. / Dec. 1974 CIL Atlantic Sales Office and Distribution Centre 39 Gurholt Drive Burnside Industrial Park Dartmouth, N.S. B3B 1J8 ** Effective January 1975 CIL Central Office 45 Sheppard Avenue E. Willowdale, Ontario M2N 2Z9

The following publications are available without charge by contacting

Advertising and Public Relations
Canadian Industries Limited
P.O. Box 10 (630 Dorchester Blvd. W.)
Montreal, Quebec H3C 2R3
(514) 874-3000

CIL Annual Report

CIL Products / Services Directory

The International Metric System

La CIL au Québec *

CIL In the West **

Educational materials on explosives and chemicals

CIL Film Catalogue

(a brief descriptive listing of
approximately 125 titles available
on a free loan basis from the Film Library)

A Better Place in Which to Live

(a description of CIL's pollution abatement policy)

Eight Essays on Environmental Health **

*French only

**English only



Ciltone

atex
ur

avec l'élégant
l'atex semi-lustre



Canadian Industries Limited